

AMENDMENTS TO LB1374

Introduced by Linehan, 39.

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

3 Section 1. Sections 1 to 23 of this act shall be known and may be
4 cited as the Good Life District Economic Development Act.

5 Sec. 2. The Legislature finds that:

6 (1) There is a high degree of competition among states and
7 municipalities in our nation in their efforts to provide incentives for
8 businesses to expand or to locate in their respective jurisdictions; and

9 (2) Municipalities in Nebraska are unable to effectively assist the
10 development within good life districts formed pursuant to the Good Life
11 Transformational Projects Act because of their inability under Nebraska
12 law to raise sufficient capital to replace the state sales tax which is
13 reduced when a good life district is established. Without an efficient
14 replacement of such sales tax with local sources of revenue, development
15 within good life districts will fall short of reaching the full potential
16 intended by the Legislature when it enacted the Good Life
17 Transformational Projects Act, resulting in lower sales tax revenues for
18 the state. To prevent such diminished revenues for the state and to
19 promote local economic development where good life districts exist, local
20 sources of revenue must be established which are tailored to meet the
21 needs of the local community and benefit the state, if the voters in the
22 municipality determine that it is in the best interest of their community
23 to do so.

24 Sec. 3. For purposes of the Good Life District Economic Development
25 Act, unless the context otherwise requires:

26 (1) City means any city of the metropolitan class, city of the
27 primary class, city of the first class, city of the second class, or

1 village, including any city operated under a home rule charter;

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

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

5 (4) Eligible costs means payment and reimbursement of (a) the costs
6 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) the costs of development, acquisition,
15 maintenance, and enhancement of technology assets to include hardware,
16 software, and related intellectual property, if the initial exclusive use
17 of such property is in or related to the good life district program area,
18 (d) the costs of marketing, tenant improvement allowances, and tenant and
19 customer acquisition and retention, and (e) reasonable city costs related
20 to implementing, operating, and funding a good life district economic
21 development program;

22 (5) Good life district means any good life district established
23 pursuant to the Good Life Transformational Projects Act;

24 (6) Good life district applicant means the person who applied for
25 the applicable good life district, which was approved by the Department
26 of Economic Development pursuant to section 77-4405;

27 (7) Good life district economic development program or program means
28 a program established pursuant to the Good Life District Economic
29 Development Act to utilize funds derived from local sources of revenue
30 for the purpose of paying eligible costs, and for paying principal of and
31 interest on bonds issued pursuant to the act;

1 (8) Good life district program area means the area established
2 pursuant to section 5 of this act for a good life district economic
3 development program;

4 (9) Governing body means the city council, board of trustees, or
5 other legislative body charged with governing the city;

6 (10) Local sources of revenue means the sources of revenue
7 established for a good life district economic development program
8 pursuant to section 6 of this act, and any revenue generated from grants,
9 donations, or state and federal funds received by the city for such good
10 life district economic development program subject to any restrictions of
11 the grantor, donor, or state or federal law; and

12 (11) Qualifying business means any corporation, nonprofit
13 corporation, partnership, limited liability company, or sole
14 proprietorship which owns or leases property or operates its business
15 within a good life district program area, or plans to own or lease
16 property or operate its business within a good life district program
17 area. The good life district applicant shall be deemed a qualifying
18 business pursuant to this subdivision. Qualifying business shall also
19 include a political subdivision, a state agency, or any other
20 governmental entity which includes any portion of the good life district
21 program area within its territorial boundaries.

22 Sec. 4. (1) The authority of a city to establish a good life
23 district economic development program and to appropriate local sources of
24 revenue to such program is subject to:

25 (a) Approval by the good life district applicant for the good life
26 district that would be affected by such program. If a good life district
27 applicant decides not to give approval for the program, such decision
28 shall have no affect on the reduced sales and use tax rate provided in
29 section 77-2701.02 for transactions occurring within the applicable good
30 life district or good life district reduced sales tax area; and

31 (b) Approval by a vote of a majority of the registered voters of the

1 city voting upon the question as provided in subsection (2) of this
2 section.

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

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

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

28 (3) If the good life district applicant has given approval and a
29 majority of those voting on the issue vote in favor of the question, the
30 governing body may establish and implement a good life district economic
31 development program upon the terms contained in the Good Life District

1 Economic Development Act. If the good life district applicant has not
2 given approval or a majority of those voting on the issue vote against
3 the question, the governing body shall not establish or implement any
4 good life district economic development program. When the question of
5 establishing a good life district economic development program is
6 defeated at an election, resubmission of the question and an election on
7 the question shall not be held until at least five months have passed
8 from and after the date of such election.

9 Sec. 5. (1) Upon approval by the good life district applicant and
10 the voters under section 4 of this act, the governing body of the city
11 may establish a good life district economic development program for any
12 area within the city which is included in a good life district
13 established pursuant to the Good Life Transformational Projects Act, and
14 the city shall appropriate the local sources of revenue established in
15 the good life district program area and pledged for such program.

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

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

24 (b) A description of the local sources of revenue which shall be
25 established for the program pursuant to section 6 of this act, and a
26 pledge to appropriate such revenues to the program for the time period
27 during which such funds are collected;

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

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

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

29 (3) All information provided with an application for assistance
30 under any good life district economic development program to the city by
31 a qualifying business shall be kept confidential by the city to the

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

6 (4) The city may enter into contracts and agreements with qualifying
7 businesses related to assistance under the good life district economic
8 development program, funds provided by the state pursuant to subdivision
9 (2)(f) of section 77-27,132, development of property within the
10 applicable good life district program area, use of property within the
11 good life district program area, and other agreements related to the good
12 life district economic development program or good life district program
13 area, which contracts and agreements may extend over multiple years and
14 include such undertakings and designation of responsibilities as the city
15 determines appropriate or convenient for development, use, and operation
16 of the good life district economic development program and the properties
17 in the good life district program area. The city shall not enter into a
18 contract or agreement with a qualifying business for assistance that uses
19 local sources of revenue collected from property owned by the good life
20 district applicant unless the contract or agreement is approved by the
21 good life district applicant. This subsection shall not be construed to
22 provide a city with any power it would not otherwise have by law to
23 restrict a business lawfully permitted to operate in this state from
24 locating in a good life district.

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

1 which may be payable from the fund.

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

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

15 Sec. 6. (1) Upon establishing a good life district economic
16 development program, the city is authorized to establish any one or more
17 of the following local sources of revenue for the program within the
18 applicable good life district program area:

19 (a) A local option sales and use tax of up to two and three-quarters
20 percent upon the same transactions that are sourced under the provisions
21 of sections 77-2703.01 to 77-2703.04 within the good life district
22 program area on which the State of Nebraska is authorized to impose a tax
23 pursuant to the Nebraska Revenue Act of 1967, as amended from time to
24 time. The city is authorized to impose such sales and use tax by
25 ordinance of its governing body, and such sales and use tax shall be in
26 addition to any local option sales tax imposed by the city pursuant to
27 section 77-27,142. The administration of such sales and use tax shall be
28 by the Tax Commissioner in the same manner as provided in section
29 77-27,143. The Tax Commissioner shall collect the tax imposed pursuant to
30 this subdivision concurrently with collection of a state tax in the same
31 manner as the state tax is collected. The Tax Commissioner shall remit

1 monthly the proceeds of such tax to the city levying the tax. All
2 relevant provisions of the Nebraska Revenue Act of 1967, as amended from
3 time to time, and not inconsistent with the Good Life District Economic
4 Development Act, shall govern transactions, proceedings, and activities
5 pursuant to any local option sales and use tax imposed under this
6 subdivision;

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

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

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

1 to section 77-4105, 77-4106, 77-5725, or 77-5726, and shall not be
2 affected by or included in the tax incentives available under the
3 Employment and Investment Growth Act, the Nebraska Advantage Act, the
4 Imagine Nebraska Act, the Nebraska Advantage Transformational Tourism and
5 Redevelopment Act, the Urban Redevelopment Act, or any other tax
6 incentive act which affects the local option sales tax imposed by a city
7 pursuant to the Local Option Revenue Act.

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

12 Sec. 7. (1) Any city which has established a good life district
13 economic development program shall establish a separate good life
14 district economic development fund for such program, and may establish
15 subaccounts in such fund as determined appropriate. All funds derived
16 from local sources of revenue established for the program or received for
17 the program, and any earnings from the investment of such funds, shall be
18 deposited into such fund. Any proceeds from the issuance and sale of
19 bonds pursuant to the Good Life District Economic Development Act to
20 provide funds to carry out the good life district economic development
21 program, shall be deposited into the good life district economic
22 development fund, or with a bond trustee pursuant to any resolution,
23 trust indenture, or other security instrument entered into in connection
24 with the issuance of such bonds, or as otherwise provided in section 16
25 of this act. The city shall not transfer or remove funds from a good life
26 district economic development fund other than for the purposes prescribed
27 in the act, and the money in a good life district economic development
28 fund shall not be commingled with any other city funds.

29 (2) Distribution of any funds from a good life district economic
30 development fund, including from proceeds of bonds issued pursuant to the
31 Good Life District Economic Development Act, to a qualifying business

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

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

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

19 (5) A good life district economic development fund shall not be
20 terminated until such time as all bonds, contracts, and other obligations
21 payable from such fund are no longer outstanding or are extinguished as
22 provided in section 11 of this act, and all funds related to them fully
23 accounted for, with no further city action required, and after the
24 completion of a final audit pursuant to section 9 of this act.

25 Sec. 8. All local sources of revenue established for a good life
26 district economic development program, and received for such program,
27 shall be deposited in the applicable good life district economic
28 development fund of the city when received. Any funds in the good life
29 district economic development fund may be appropriated and spent for
30 eligible costs of the good life district economic development program in
31 any amount and at any time at the discretion and direction of the

1 governing body of the city.

2 Sec. 9. The city shall provide for an annual, outside, independent
3 audit of each good life district economic development program by a
4 qualified independent accounting firm, the cost of which may be charged
5 by the city to the applicable good life district economic development
6 fund. The independent auditor shall not, at the time of the audit or for
7 any period during the term subject to the audit, have any contractual or
8 business relationship with any qualifying business receiving funds or
9 assistance under the good life district economic development program. The
10 results of such audit shall be filed with the city clerk and made
11 available for public review during normal business hours.

12 Sec. 10. The Nebraska Budget Act shall not apply to any good life
13 district economic development program or local sources of revenue
14 dedicated to such program.

15 Sec. 11. (1) Any city which has established a good life district
16 economic development program may from time to time issue bonds as
17 provided in sections 11 to 19 of this act. Such bonds shall be in such
18 principal amounts as the city's governing body authorizes to provide
19 sufficient funds to carry out any of the purposes of and powers granted
20 pursuant to the Good Life District Economic Development Act, including
21 the payment of eligible costs and all other costs or expenses of the city
22 incident to and necessary or convenient to carry out the good life
23 district economic development program, and the principal of and interest
24 on such bonds shall be payable from the local sources of revenue which
25 are dedicated to the good life district economic development fund. Bonds
26 may also be issued pursuant to the Good Life District Economic
27 Development Act to provide funds to finance or refinance one or more
28 redevelopment projects approved pursuant to the Community Development
29 Law, and the taxes authorized or collected pursuant to sections
30 18-2142.02 and 18-2147 of the Community Development Law and which are
31 permitted or required to be pledged pursuant to the Community Development

1 Law for payment of bonds for a redevelopment project may be pledged by
2 the city pursuant to the Good Life District Economic Development Act for
3 payment of bonds issued hereunder to finance or refinance such
4 redevelopment projects. Bonds may be issued by the city for such
5 combination of eligible costs and redevelopment projects and other
6 purposes permitted under the Good Life District Economic Development Act
7 as determined appropriate by the city, and may be payable from such
8 combination of local sources of revenue and taxes authorized under the
9 act as determined appropriate by the city.

10 (2) The obligations of the city with respect to the good life
11 district economic development program, including any bonds issued or
12 contracts of the city entered into under the Good Life District Economic
13 Development Act, shall not be a general obligation of the city or a
14 pledge of its credit or taxing power, nor in any event shall such bonds
15 or contracts be payable out of any funds or properties of the city, other
16 than the local sources of revenue appropriated by the city and dedicated
17 to the program pursuant to the act and the other taxes pledged for
18 payment of bonds pursuant to the act. The bonds issued under the act
19 shall not constitute an indebtedness within the meaning of any
20 constitutional or statutory debt limitation or restriction.

21 (3) Notwithstanding anything to the contrary in the Good Life
22 District Economic Development Act, any bonds, contracts, or other
23 obligations which remain outstanding or unpaid upon termination of the
24 program pursuant to section 5 of this act shall be deemed canceled and
25 extinguished after all remaining amounts held in the applicable good life
26 district economic development fund have been depleted to pay such bonds,
27 contracts, or other obligations, and the city shall have no continued
28 liability, express or implied, with respect to such bonds, contracts, or
29 other obligations thereafter.

30 Sec. 12. The members of a city's governing body and any person
31 executing bonds issued under the Good Life District Economic Development

1 Act shall not be liable personally on such bonds by reason of the
2 issuance thereof.

3 Sec. 13. (1) Bonds issued or delivered under the Good Life District
4 Economic Development Act shall be authorized by resolution of the city's
5 governing body, may be issued and secured under a resolution, trust
6 indenture, or other security instrument in one or more series, and shall
7 bear such date or dates, mature at such time or times prior to the
8 expiration of the program, bear interest at such rate or rates, be in
9 such denomination or denominations, bear such title and designation, be
10 in such form, either coupon or registered, carry such conversion or
11 registration privileges, have such rank or priority, be executed in such
12 manner, be payable in such medium of payment and at such place or places,
13 and be subject to such terms of redemption, with or without premium, as
14 such resolution, trust indenture, or other security instrument may
15 provide and without limitation by any other law limiting amounts,
16 maturities, interest rates, or redemption provisions. Any officer
17 authorized or designated to sign, countersign, execute, or attest any
18 bond may utilize a facsimile signature in lieu of his or her manual
19 signature. The bonds may be sold at public or private sale as provided by
20 the city's governing body and at such price or prices as determined or
21 directed by such governing body.

22 (2) Bonds issued or delivered under the Good Life District Economic
23 Development Act may be issued for such combination of eligible costs and
24 redevelopment projects and other purposes, and may be payable from such
25 sources as permitted under the act, as may be provided in the resolution,
26 trust indenture, or other security instrument related to the bonds. The
27 city may make any allocation or designation with respect to the
28 application of proceeds of such bonds, and any allocation or designation
29 of local sources of revenue and other sources permitted under the act to
30 the repayment of such bonds, as determined in or pursuant to such
31 resolution, trust indenture, other security instrument, or other measure

1 of the governing body of the city. To the extent a portion of such bonds
2 are issued to finance or refinance a redevelopment project, any taxes
3 collected by the city pursuant to section 18-2147 which are pledged for
4 and applied to payment of such bonds shall be deemed to be allocated and
5 applied to repayment of such bonds prior to and to the exclusion of any
6 other local sources of revenue or other repayment sources permitted under
7 the Good Life District Economic Development Act.

8 Sec. 14. If any of the officers whose signatures appear on any
9 bonds issued under the Good Life District Economic Development Act cease
10 to be such officers before the delivery of such obligations, such
11 signatures shall nevertheless be valid and sufficient for all purposes to
12 the same extent as if such officers had remained in office until such
13 delivery.

14 Sec. 15. Any city may in connection with the issuance of its bonds,
15 entry into any contract, or delivery of other obligations under the Good
16 Life District Economic Development Act:

17 (1) Redeem the bonds, covenant for their redemption, and provide the
18 terms and conditions of redemption;

19 (2) Covenant that the good life district economic development
20 program and local sources of revenue established for such program shall
21 not terminate for purposes of the act until thirty years after the date
22 the associated good life district was established or until the bonds
23 issued for such program and other contractual obligations related to such
24 program are no longer outstanding, whichever occurs first;

25 (3) Covenant to impose or levy such local sources of revenue
26 determined by the city and pledge the local sources of revenue and other
27 taxes permitted to be pledged to pay the interest and principal payments,
28 whether at maturity or upon sinking-fund redemption, on any outstanding
29 bonds of the city payable from such pledged local sources of revenue and
30 other taxes, and creation and maintenance of any reasonable reserves
31 therefor and to provide for any margins or coverages over and above debt

1 service on the bonds deemed desirable for the marketability or security
2 of the bonds;

3 (4) Covenant as to the application of the local sources of revenue
4 within the good life district economic development fund, which shall
5 include reasonable provision for the cost of operating and maintaining
6 the associated program by the city, provided that the provisions of
7 section 13 of this act shall govern the application of any taxes received
8 pursuant to section 18-2147 for payment of bonds issued under the Good
9 Life District Economic Development Act;

10 (5) Covenant and prescribe as to events of default and as to the
11 consequences of default and the remedies of bondholders;

12 (6) Covenant as to the purposes to which the proceeds from the sale
13 of any bonds may be applied and the pledge of such proceeds to secure the
14 payment of the bonds;

15 (7) Covenant as to limitations on the issuance of any additional
16 bonds, the terms upon which additional bonds may be issued and secured,
17 and the refunding of outstanding bonds;

18 (8) Covenant as to the rank or priority of any bonds with respect to
19 any lien or security;

20 (9) Covenant as to the procedure by which the terms of any contract
21 with or for the benefit of the bondholders may be amended or abrogated,
22 the amount of bonds the holders of which must consent thereto, and the
23 manner in which such consent may be given;

24 (10) Covenant as to the custody and safekeeping of a good life
25 district economic development fund;

26 (11) Covenant as to the vesting in a trustee or trustees, within or
27 outside the state, of such properties, rights, powers, and duties in
28 trust as the city may determine;

29 (12) Covenant as to the appointing and providing for the duties and
30 obligations of a paying agent or paying agents or other fiduciaries
31 within or outside the state;

1 (13) Make all other covenants and do any and all other acts and
2 things as may be necessary, convenient, or desirable in order to secure
3 its bonds or, in the absolute discretion of the city, tend to make the
4 bonds more marketable, notwithstanding that such other covenants, acts,
5 or things may not be enumerated in this section; and

6 (14) Execute all instruments necessary or convenient in the exercise
7 of the powers granted pursuant to the Good Life District Economic
8 Development Act or in the performance of covenants or duties of the city
9 incurred under the act, which instruments may contain such covenants and
10 provisions as any purchaser of bonds or other obligations may reasonably
11 require or which may be determined necessary or appropriate.

12 Sec. 16. (1) Any city which has issued bonds pursuant to the Good
13 Life District Economic Development Act or the Community Development Law,
14 and such bonds remain unpaid and are outstanding, is hereby authorized to
15 issue refunding bonds with which to call and redeem all or any part of
16 such outstanding bonds at or before the maturity or the redemption date
17 of such bonds. Such city may include various series and issues of the
18 outstanding bonds in a single issue of refunding bonds and issue
19 refunding bonds to pay any redemption premium and interest to accrue and
20 become payable on the outstanding bonds being refunded. The refunding
21 bonds may be issued and delivered at any time prior to the date of
22 maturity or the redemption date of the bonds to be refunded that the
23 governing body of such city determines to be in its best interests. The
24 proceeds derived from the sale of the refunding bonds issued pursuant to
25 this section may be invested in obligations of or guaranteed by the
26 United States Government pending the time the proceeds are required for
27 the purposes for which such refunding bonds were issued. To further
28 secure the refunding bonds, any such city may enter into a contract with
29 any bank or trust company within or without the state with respect to the
30 safekeeping and application of the proceeds of the refunding bonds and
31 the safekeeping and application of the earnings on the investment. All

1 bonds issued under the provisions of this section shall be redeemable at
2 such times and under such conditions as the governing body of the city
3 shall determine at the time of issuance.

4 (2) Any outstanding bonds issued by any such city for which
5 sufficient funds or obligations of or guaranteed by the United States
6 Government have been pledged and set aside in safekeeping to be applied
7 for the complete payment of such bonds at maturity or upon redemption
8 prior to maturity, interest thereon, and redemption premium, if any,
9 shall not be considered as outstanding and unpaid pursuant to the Good
10 Life District Economic Development Act.

11 Sec. 17. The issue of refunding bonds, the manner of sale, the
12 maturities, interest rates, form, and other details thereof, the security
13 therefor, the rights of the holders thereof, and the rights, duties, and
14 obligations of the city in respect of the same shall be governed by the
15 provisions of the Good Life District Economic Development Act relating to
16 the issue of bonds other than refunding bonds insofar as the same may be
17 applicable. The city may issue bonds for refunding and nonrefunding
18 purposes as part of the same series of bonds.

19 Sec. 18. Bonds issued pursuant to the Good Life District Economic
20 Development Act shall be securities in which all public officers and
21 instrumentalities of the state and all political subdivisions, insurance
22 companies, trust companies, banks, savings and loan associations,
23 investment companies, executors, administrators, personal
24 representatives, trustees, and other fiduciaries may properly and legally
25 invest funds, including capital in their control or belonging to them.
26 Such bonds shall be securities which may properly and legally be
27 deposited with and received by any officer or instrumentality of this
28 state or any political subdivision for any purpose for which the deposit
29 of bonds of this state or any political subdivision thereof is now or may
30 hereafter be authorized by law.

31 Sec. 19. (1) Bonds may be issued, contracts may be entered into,

1 and other obligations may be incurred, under the Good Life District
2 Economic Development Act without obtaining the consent of any department,
3 division, commission, board, bureau, or instrumentality of this state and
4 without any other proceedings or the happening of any other conditions or
5 things than those proceedings, conditions, or things which are
6 specifically required by the act, and the validity of and security for
7 any bonds, contract, or other obligations shall not be affected by the
8 existence or nonexistence of any such consent or other proceedings,
9 conditions, or things.

10 (2) No proceedings for the issuance of bonds, entering into
11 contracts, or incurring of obligations of a city under the Good Life
12 District Economic Development Act shall be required other than those
13 required by the Good Life District Economic Development Act; and the
14 provisions of all other laws and city charters, if any, relative to the
15 terms and conditions for the issuance, incurrence, payment, redemption,
16 registration, sale, or delivery of bonds, or entering into contracts, of
17 public bodies, corporations, or political subdivisions of this state
18 shall not be applicable to bonds, contracts, or other obligations issued
19 or entered into pursuant to the Good Life District Economic Development
20 Act.

21 Sec. 20. In any suit, action, or proceeding involving the validity
22 or enforceability of any bonds, contract, or agreement of a city pursuant
23 to the Good Life District Economic Development Act, or the security
24 therefor, brought after the lapse of thirty days after the authorization
25 by the governing body of such city for the issuance of such bonds or
26 entry into such contract or agreement, any such bond, contract or
27 agreement, and the security therefor and provisions therein, reciting in
28 substance that it has been authorized by the city pursuant to the Good
29 Life District Economic Development Act or to provide financing for a good
30 life district economic development program shall be conclusively deemed
31 to have been authorized for such purpose and such bonds, contracts, or

1 agreement, and security therefor and provisions therein, issued or
2 delivered pursuant to such authorization shall be conclusively deemed to
3 have been issued, entered into, provided, and carried out in accordance
4 and compliance with the purposes and provisions of the Good Life District
5 Economic Development Act, and deemed to be valid and binding obligations
6 and agreements of the city for the duration of the term of such
7 obligations and agreements as provided therein. In any suit, action, or
8 proceedings involving the validity or enforceability of any bond of the
9 city issued under the Good Life District Economic Development Act in
10 whole or in part for a redevelopment project or the security therefor,
11 any such bond reciting in substance that it has been issued by the city
12 to aid, in whole or in part, in financing or refinancing a redevelopment
13 project, as herein permitted, shall be conclusively deemed to have been
14 issued for such purpose and such project shall be conclusively deemed to
15 have been planned, located, and carried out in accordance with the
16 purposes and provisions of the Community Development Law.

17 Sec. 21. All bonds of a city issued pursuant to the Good Life
18 District Economic Development Act are declared to be issued for an
19 essential public and governmental purpose and, together with interest
20 thereon and income therefrom, shall be exempt from all taxes.

21 Sec. 22. The State of Nebraska does hereby pledge to and agree with
22 the holders of any bonds issued pursuant to the Good Life District
23 Economic Development Act and with those persons who may enter into
24 contracts with any city pursuant to the act that the state will not
25 alter, impair, or limit the rights thereby vested until the bonds,
26 together with applicable interest, are fully met and discharged and such
27 contracts are fully performed in accordance with the act. Nothing
28 contained in the act shall preclude such alteration, impairment, or
29 limitation if and when adequate provisions are made by law for the
30 protection of the holders of the bonds or persons entering into contracts
31 with a city.

1 Sec. 23. The powers conferred by the Good Life District Economic
2 Development Act shall be in addition and supplemental to the powers
3 conferred by any other law and shall be independent of and in addition to
4 any other provisions of the law of Nebraska, including, without
5 limitation, the Local Option Revenue Act, the Community Development Law,
6 the Local Option Municipal Economic Development Act, and the Good Life
7 Transformational Projects Act. The Good Life District Economic
8 Development Act and all grants of power, authority, rights, or discretion
9 to a city under the act shall be liberally construed, and all incidental
10 powers necessary to carry the act into effect are hereby expressly
11 granted to and conferred upon a city.

12 Insofar as the provisions of the Good Life District Economic
13 Development Act are inconsistent with the provisions of any other law or
14 of any city charter, if any, the provisions of the Good Life District
15 Economic Development Act shall be controlling.

16 Sec. 24. Section 13-520, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 13-520 The limitations in section 13-519 shall not apply to (1)
19 restricted funds budgeted for capital improvements, (2) restricted funds
20 expended from a qualified sinking fund for acquisition or replacement of
21 tangible personal property with a useful life of five years or more, (3)
22 restricted funds pledged to retire bonds as defined in subdivision (1) of
23 section 10-134 and approved according to law, (4) restricted funds used
24 by a public airport to retire interest-free loans from the Division of
25 Aeronautics of the Department of Transportation in lieu of bonded
26 indebtedness at a lower cost to the public airport, (5) restricted funds
27 budgeted in support of a service which is the subject of an agreement or
28 a modification of an existing agreement whether operated by one of the
29 parties to the agreement or by an independent joint entity or joint
30 public agency, (6) restricted funds budgeted to pay for repairs to
31 infrastructure damaged by a natural disaster which is declared a disaster

1 emergency pursuant to the Emergency Management Act, (7) restricted funds
2 budgeted to pay for judgments, except judgments or orders from the
3 Commission of Industrial Relations, obtained against a governmental unit
4 which require or obligate a governmental unit to pay such judgment, to
5 the extent such judgment is not paid by liability insurance coverage of a
6 governmental unit, (8) restricted funds budgeted to pay benefits under
7 the Firefighter Cancer Benefits Act, ~~or~~ (9) the dollar amount by which
8 restricted funds budgeted by a natural resources district to administer
9 and implement ground water management activities and integrated
10 management activities under the Nebraska Ground Water Management and
11 Protection Act exceed its restricted funds budgeted to administer and
12 implement ground water management activities and integrated management
13 activities for FY2003-04, or (10) restricted funds equal to the amount of
14 local option sales and use tax budgeted to be collected within a good
15 life district established pursuant to section 77-4405.

16 Sec. 25. Section 18-1208, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 18-1208 (1) Except as otherwise provided in this section, after July
19 19, 2012, a municipality may impose a new occupation tax or increase the
20 rate of an existing occupation tax, which new occupation tax or increased
21 rate of an existing occupation tax is projected to generate annual
22 occupation tax revenue in excess of the applicable amount listed in
23 subsection (2) of this section, pursuant to section 14-109, 15-202,
24 15-203, 16-205, or 17-525 if the question of whether to impose the tax or
25 increase the rate of an existing occupation tax has been submitted at an
26 election held within the municipality and in which all registered voters
27 shall be entitled to vote on the question. The officials of the
28 municipality shall order the submission of the question by submitting a
29 certified copy of the resolution proposing the tax or tax rate increase
30 to the election commissioner or county clerk at least fifty days before
31 the election. The election shall be conducted in accordance with the

1 Election Act. If a majority of the votes cast upon the question are in
2 favor of the new tax or increased rate of an existing occupation tax,
3 then the governing body of such municipality shall be empowered to impose
4 the new tax or to impose the increased tax rate. If a majority of those
5 voting on the question are opposed to the new tax or increased rate, then
6 the governing body of the municipality shall not impose the new tax or
7 increased rate but shall maintain any existing occupation tax at its
8 current rate.

9 (2) The applicable amount of annual revenue for each new occupation
10 tax or annual revenue raised by the increased rate for an existing
11 occupation tax for purposes of subsection (1) of this section is:

12 (a) For cities of the metropolitan class, six million dollars;

13 (b) For cities of the primary class, three million dollars;

14 (c) For cities of the first class, seven hundred thousand dollars;

15 and

16 (d) For cities of the second class and villages, three hundred
17 thousand dollars.

18 (3) After July 19, 2012, a municipality shall not be required to
19 submit the following questions to the registered voters:

20 (a) Whether to change the rate of an occupation tax imposed for a
21 specific project which does not provide for deposit of the tax proceeds
22 in the municipality's general fund; or

23 (b) Whether to terminate an occupation tax earlier than the
24 determinable termination date under the original question submitted to
25 the registered voters.

26 This subsection applies to occupation taxes imposed prior to, on, or
27 after July 19, 2012.

28 (4) This section shall ~~The provisions of this section do~~ not apply
29 to (a) an occupation tax subject to section 86-704 or (b) a municipality
30 increasing the rate of an existing occupation tax within the boundaries
31 of a good life district as defined in section 77-4403 if the good life

1 district applicant has approved of the increase.

2 (5) No later than ninety days after the end of the fiscal year, each
3 municipality that imposes or increases any occupation tax as provided
4 under this section shall provide an annual report on the collection and
5 use of such occupation tax. The report shall be posted on the
6 municipality's public website or made available for public inspection at
7 a location designated by the municipality. The report shall include, but
8 not be limited to:

9 (a) A list of all such occupation taxes collected by the
10 municipality;

11 (b) The amount generated annually by each such occupation tax;

12 (c) Whether funds generated by each such occupation tax are
13 deposited in the general fund, cash funds, or other funds of the
14 municipality;

15 (d) Whether any such occupation tax is dedicated for a specific
16 purpose, and if so, the amount dedicated for such purpose; and

17 (e) The scheduled or projected termination date, if any, of each
18 such occupation tax.

19 Sec. 26. Section 18-2103, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 18-2103 For purposes of the Community Development Law, unless the
22 context otherwise requires:

23 (1) Area of operation means and includes the area within the
24 corporate limits of the city and such land outside the city as may come
25 within the purview of sections 18-2123 and 18-2123.01;

26 (2) Authority means any community redevelopment authority created
27 pursuant to section 18-2102.01 and any community development agency
28 created pursuant to section 18-2101.01 and does not include a limited
29 community redevelopment authority;

30 (3) Blighted area means an area (a) which, by reason of the presence
31 of a substantial number of deteriorated or deteriorating structures,

1 existence of defective or inadequate street layout, faulty lot layout in
2 relation to size, adequacy, accessibility, or usefulness, insanitary or
3 unsafe conditions, deterioration of site or other improvements, diversity
4 of ownership, tax or special assessment delinquency exceeding the fair
5 value of the land, defective or unusual conditions of title, improper
6 subdivision or obsolete platting, or the existence of conditions which
7 endanger life or property by fire and other causes, or any combination of
8 such factors, substantially impairs or arrests the sound growth of the
9 community, retards the provision of housing accommodations, or
10 constitutes an economic or social liability and is detrimental to the
11 public health, safety, morals, or welfare in its present condition and
12 use and (b) in which there is at least one of the following conditions:
13 (i) Unemployment in the designated area is at least one hundred twenty
14 percent of the state or national average; (ii) the average age of the
15 residential or commercial units in the area is at least forty years;
16 (iii) more than half of the plotted and subdivided property in an area is
17 unimproved land that has been within the city for forty years and has
18 remained unimproved during that time; (iv) the per capita income of the
19 area is lower than the average per capita income of the city or village
20 in which the area is designated; or (v) the area has had either stable or
21 decreasing population based on the last two decennial censuses. In no
22 event shall a city of the metropolitan, primary, or first class designate
23 more than thirty-five percent of the city as blighted, a city of the
24 second class shall not designate an area larger than fifty percent of the
25 city as blighted, and a village shall not designate an area larger than
26 one hundred percent of the village as blighted. A redevelopment project
27 involving a formerly used defense site as authorized under section
28 18-2123.01, any area which is located within a good life district
29 established under the Good Life Transformational Projects Act, and any
30 area declared to be an extremely blighted area under section 18-2101.02
31 shall not count towards the percentage limitations contained in this

1 subdivision;

2 (4) Bonds means any bonds, including refunding bonds, notes, interim
3 certificates, debentures, or other obligations issued pursuant to the
4 Community Development Law except for bonds issued pursuant to section
5 18-2142.04;

6 (5) Business means any private business located in an enhanced
7 employment area;

8 (6) City means any city or incorporated village in the state;

9 (7) Clerk means the clerk of the city or village;

10 (8) Community redevelopment area means a substandard and blighted
11 area which the community redevelopment authority designates as
12 appropriate for a redevelopment project;

13 (9) Employee means a person employed at a business as a result of a
14 redevelopment project;

15 (10) Employer-provided health benefit means any item paid for by the
16 employer in total or in part that aids in the cost of health care
17 services, including, but not limited to, health insurance, health savings
18 accounts, and employer reimbursement of health care costs;

19 (11) Enhanced employment area means an area not exceeding six
20 hundred acres (a) within a community redevelopment area which is
21 designated by an authority as eligible for the imposition of an
22 occupation tax or (b) not within a community redevelopment area as may be
23 designated under section 18-2142.04;

24 (12) Equivalent employees means the number of employees computed by
25 (a) dividing the total hours to be paid in a year by (b) the product of
26 forty times the number of weeks in a year;

27 (13) Extremely blighted area means a substandard and blighted area
28 in which: (a) The average rate of unemployment in the area during the
29 period covered by the most recent federal decennial census or American
30 Community Survey 5-Year Estimate is at least two hundred percent of the
31 average rate of unemployment in the state during the same period; and (b)

1 the average poverty rate in the area exceeds twenty percent for the total
2 federal census tract or tracts or federal census block group or block
3 groups in the area;

4 (14) Federal government means the United States of America, or any
5 agency or instrumentality, corporate or otherwise, of the United States
6 of America;

7 (15) Governing body or local governing body means the city council,
8 board of trustees, or other legislative body charged with governing the
9 municipality;

10 (16) Limited community redevelopment authority means a community
11 redevelopment authority created pursuant to section 18-2102.01 having
12 only one single specific limited pilot project authorized;

13 (17) Mayor means the mayor of the city or chairperson of the board
14 of trustees of the village;

15 (18) New investment means the value of improvements to real estate
16 made in an enhanced employment area by a developer or a business;

17 (19) Number of new employees means the number of equivalent
18 employees that are employed at a business as a result of the
19 redevelopment project during a year that are in excess of the number of
20 equivalent employees during the year immediately prior to the year that a
21 redevelopment plan is adopted;

22 (20) Obligee means any bondholder, agent, or trustee for any
23 bondholder, or lessor demising to any authority, established pursuant to
24 section 18-2102.01, property used in connection with a redevelopment
25 project, or any assignee or assignees of such lessor's interest or any
26 part thereof, and the federal government when it is a party to any
27 contract with such authority;

28 (21) Occupation tax means a tax imposed under section 18-2142.02;

29 (22) Person means any individual, firm, partnership, limited
30 liability company, corporation, company, association, joint-stock
31 association, or body politic and includes any trustee, receiver,

1 assignee, or other similar representative thereof;

2 (23) Public body means the state or any municipality, county,
3 township, board, commission, authority, district, or other political
4 subdivision or public body of the state;

5 (24) Real property means all lands, including improvements and
6 fixtures thereon, and property of any nature appurtenant thereto, or used
7 in connection therewith, and every estate, interest and right, legal or
8 equitable, therein, including terms for years and liens by way of
9 judgment, mortgage, or otherwise, and the indebtedness secured by such
10 liens;

11 (25) Redeveloper means any person, partnership, or public or private
12 corporation or agency which enters or proposes to enter into a
13 redevelopment contract;

14 (26) Redevelopment contract means a contract entered into between an
15 authority and a redeveloper for the redevelopment of an area in
16 conformity with a redevelopment plan;

17 (27) Redevelopment plan means a plan, as it exists from time to time
18 for one or more community redevelopment areas, or for a redevelopment
19 project, which (a) conforms to the general plan for the municipality as a
20 whole and (b) is sufficiently complete to indicate such land acquisition,
21 demolition and removal of structures, redevelopment, improvements, and
22 rehabilitation as may be proposed to be carried out in the community
23 redevelopment area, zoning and planning changes, if any, land uses,
24 maximum densities, and building requirements;

25 (28) Redevelopment project means any work or undertaking in one or
26 more community redevelopment areas: (a) To acquire substandard and
27 blighted areas or portions thereof, including lands, structures, or
28 improvements the acquisition of which is necessary or incidental to the
29 proper clearance, development, or redevelopment of such substandard and
30 blighted areas; (b) to clear any such areas by demolition or removal of
31 existing buildings, structures, streets, utilities, or other improvements

1 thereon and to install, construct, or reconstruct streets, utilities,
2 parks, playgrounds, public spaces, public parking facilities, sidewalks
3 or moving sidewalks, convention and civic centers, bus stop shelters,
4 lighting, benches or other similar furniture, trash receptacles,
5 shelters, skywalks and pedestrian and vehicular overpasses and
6 underpasses, enhancements to structures in the redevelopment plan area
7 which exceed minimum building and design standards in the community and
8 prevent the recurrence of substandard and blighted conditions, and any
9 other necessary public improvements essential to the preparation of sites
10 for uses in accordance with a redevelopment plan; (c) to sell, lease, or
11 otherwise make available land in such areas for residential,
12 recreational, commercial, industrial, or other uses, including parking or
13 other facilities functionally related or subordinate to such uses, or for
14 public use or to retain such land for public use, in accordance with a
15 redevelopment plan; and may also include the preparation of the
16 redevelopment plan, the planning, survey, and other work incident to a
17 redevelopment project and the preparation of all plans and arrangements
18 for carrying out a redevelopment project; (d) to dispose of all real and
19 personal property or any interest in such property, or assets, cash, or
20 other funds held or used in connection with residential, recreational,
21 commercial, industrial, or other uses, including parking or other
22 facilities functionally related or subordinate to such uses, or any
23 public use specified in a redevelopment plan or project, except that such
24 disposition shall be at its fair value for uses in accordance with the
25 redevelopment plan; (e) to acquire real property in a community
26 redevelopment area which, under the redevelopment plan, is to be repaired
27 or rehabilitated for dwelling use or related facilities, repair or
28 rehabilitate the structures, and resell the property; (f) to carry out
29 plans for a program of voluntary or compulsory repair, rehabilitation, or
30 demolition of buildings in accordance with the redevelopment plan; and
31 (g) in a rural community or in an extremely blighted area within a

1 municipality that is not a rural community, to carry out construction of
2 workforce housing;

3 (29) Redevelopment project valuation means the valuation for
4 assessment of the taxable real property in a redevelopment project last
5 certified for the year prior to the effective date of the provision
6 authorized in section 18-2147;

7 (30) Rural community means any municipality in a county with a
8 population of fewer than one hundred thousand inhabitants as determined
9 by the most recent federal decennial census;

10 (31) Substandard area means an area in which there is a predominance
11 of buildings or improvements, whether nonresidential or residential in
12 character, which, by reason of dilapidation, deterioration, age or
13 obsolescence, inadequate provision for ventilation, light, air,
14 sanitation, or open spaces, high density of population and overcrowding,
15 or the existence of conditions which endanger life or property by fire
16 and other causes, or any combination of such factors, is conducive to ill
17 health, transmission of disease, infant mortality, juvenile delinquency,
18 and crime, (which cannot be remedied through construction of prisons),
19 and is detrimental to the public health, safety, morals, or welfare; and

20 (32) Workforce housing means:

21 (a) Housing that meets the needs of today's working families;

22 (b) Housing that is attractive to new residents considering
23 relocation to a rural community;

24 (c) Owner-occupied housing units that cost not more than two hundred
25 seventy-five thousand dollars to construct or rental housing units that
26 cost not more than two hundred thousand dollars per unit to construct.
27 For purposes of this subdivision (c), housing unit costs shall be updated
28 annually by the Department of Economic Development based upon the most
29 recent increase or decrease in the Producer Price Index for all
30 commodities, published by the United States Department of Labor, Bureau
31 of Labor Statistics;

1 (d) Owner-occupied and rental housing units for which the cost to
2 substantially rehabilitate exceeds fifty percent of a unit's assessed
3 value; and

4 (e) Upper-story housing.

5 Sec. 27. Section 77-2701.02, Revised Statutes Supplement, 2023, is
6 amended to read:

7 77-2701.02 Pursuant to section 77-2715.01:

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

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

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

16 (4) Commencing on the start of the first calendar quarter after July
17 20, 2002, and until July 1, 2023, the rate of the sales tax levied
18 pursuant to section 77-2703 shall be five and one-half percent;~~and~~

19 (5) Commencing July 1, 2023, and until July 1, 2024, the rate of the
20 sales tax levied pursuant to section 77-2703 shall be five and one-half
21 percent, except that such rate shall be two and three-quarters percent on
22 transactions occurring within a good life district as defined in section
23 77-4403; and -

24 (6) Commencing July 1, 2024, the rate of the sales tax levied
25 pursuant to section 77-2703 shall be five and one-half percent, except
26 that (a) such rate shall be four and one-fourth percent on transactions
27 that occur within a good life district reduced sales tax area designated
28 pursuant to the Good Life Transformational Projects Act for a good life
29 district that has an approved plan under subsection (9) of section
30 77-4405 and (b) such rate shall be two and three-quarters percent on
31 transactions that occur within a good life district reduced sales tax

1 area designated pursuant to the Good Life Transformational Projects Act
2 for a good life district that does not have an approved plan under
3 subsection (9) of section 77-4405.

4 Sec. 28. Section 77-27,132, Revised Statutes Supplement, 2023, is
5 amended to read:

6 77-27,132 (1) There is hereby created a fund to be designated the
7 Revenue Distribution Fund which shall be set apart and maintained by the
8 Tax Commissioner. Revenue not required to be credited to the General Fund
9 or any other specified fund may be credited to the Revenue Distribution
10 Fund. Credits and refunds of such revenue shall be paid from the Revenue
11 Distribution Fund. The balance of the amount credited, after credits and
12 refunds, shall be allocated as provided by the statutes creating such
13 revenue.

14 (2) The Tax Commissioner shall pay to a depository bank designated
15 by the State Treasurer all amounts collected under the Nebraska Revenue
16 Act of 1967. The Tax Commissioner shall present to the State Treasurer
17 bank receipts showing amounts so deposited in the bank, and of the
18 amounts so deposited the State Treasurer shall:

19 (a) For transactions occurring on or after October 1, 2014, and
20 before October 1, 2027, credit to the Game and Parks Commission Capital
21 Maintenance Fund all of the proceeds of the sales and use taxes imposed
22 pursuant to section 77-2703 on the sale or lease of motorboats as defined
23 in section 37-1204, personal watercraft as defined in section 37-1204.01,
24 all-terrain vehicles as defined in section 60-103, and utility-type
25 vehicles as defined in section 60-135.01;

26 (b) Credit to the Highway Trust Fund all of the proceeds of the
27 sales and use taxes derived from the sale or lease for periods of more
28 than thirty-one days of motor vehicles, trailers, and semitrailers,
29 except that the proceeds equal to any sales tax rate provided for in
30 section 77-2701.02 that is in excess of five percent derived from the
31 sale or lease for periods of more than thirty-one days of motor vehicles,

1 trailers, and semitrailers shall be credited to the Highway Allocation
2 Fund;

3 (c) For transactions occurring on or after July 1, 2013, and before
4 July 1, 2042, of the proceeds of the sales and use taxes derived from
5 transactions other than those listed in subdivisions (2)(a), (b), and (e)
6 of this section from a sales tax rate of one-quarter of one percent,
7 credit monthly eighty-five percent to the Highway Trust Fund and fifteen
8 percent to the Highway Allocation Fund;

9 (d) Of the proceeds of the sales and use taxes derived from
10 transactions other than those listed in subdivisions (2)(a), (b), and (e)
11 of this section, credit to the Property Tax Credit Cash Fund the amount
12 certified under section 77-27,237, if any such certification is made; ~~and~~

13 (e) For transactions occurring on or after July 1, 2023, credit to
14 the Department of Transportation Aeronautics Capital Improvement Fund all
15 of the proceeds of the sales and use taxes imposed pursuant to section
16 77-2703 on the sale or lease of aircraft as defined in section 3-101;
17 and -

18 (f) For transactions occurring on or after July 1, 2024, within a
19 good life district reduced sales tax area designated pursuant to the Good
20 Life Transformational Projects Act for a good life district that has an
21 approved plan under subsection (9) of section 77-4405, distribute to the
22 city or village in which the good life district is located an amount
23 equal to the total proceeds derived from such transactions minus the
24 amount of such proceeds that are derived from a rate of two and three-
25 quarters percent. The Tax Commissioner shall provide the State Treasurer
26 with the information needed to make such distributions. Funds received by
27 a city or village under this subdivision shall be deposited in the good
28 life district economic development fund of such city or village and shall
29 only be used for purposes of the contracts and agreements described in
30 subsection (4) of section 5 of this act.

31 The balance of all amounts collected under the Nebraska Revenue Act

1 of 1967 shall be credited to the General Fund.

2 Sec. 29. Section 77-27,142, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-27,142 (1) Except as provided in subsection (6) of this section,
5 any Any incorporated municipality other than a city of the metropolitan
6 class by ordinance of its governing body is hereby authorized to impose a
7 sales and use tax of one-half percent, one percent, one and one-half
8 percent, one and three-quarters percent, or two percent upon the same
9 transactions that are sourced under the provisions of sections 77-2703.01
10 to 77-2703.04 within such incorporated municipality on which the State of
11 Nebraska is authorized to impose a tax pursuant to the Nebraska Revenue
12 Act of 1967, as amended from time to time. Any city of the metropolitan
13 class by ordinance of its governing body is hereby authorized to impose a
14 sales and use tax of one-half percent, one percent, or one and one-half
15 percent upon the same transactions that are sourced under the provisions
16 of sections 77-2703.01 to 77-2703.04 within such city of the metropolitan
17 class on which the State of Nebraska is authorized to impose a tax
18 pursuant to the Nebraska Revenue Act of 1967, as amended from time to
19 time. No sales and use tax shall be imposed pursuant to this section
20 until an election has been held and a majority of the qualified electors
21 have approved such tax pursuant to sections 77-27,142.01 and
22 77-27,142.02.

23 (2)(a) Any incorporated municipality that proposes to impose a
24 municipal sales and use tax at a rate greater than one and one-half
25 percent or increase a municipal sales and use tax to a rate greater than
26 one and one-half percent shall submit the question of such tax or
27 increase at a primary or general election held within the incorporated
28 municipality. The question shall be submitted upon an affirmative vote by
29 at least seventy percent of all of the members of the governing body of
30 the incorporated municipality.

31 (b) Any rate greater than one and one-half percent shall be used as

1 follows:

2 (i) In a city of the primary class, up to fifteen percent of the
3 proceeds from the rate in excess of one and one-half percent may be used
4 for non-public infrastructure projects of an interlocal agreement or
5 joint public agency agreement with another political subdivision within
6 the municipality or the county in which the municipality is located, and
7 the remaining proceeds shall be used for public infrastructure projects
8 or voter-approved infrastructure related to an economic development
9 program as defined in section 18-2705; and

10 (ii) In any incorporated municipality other than a city of the
11 primary class, the proceeds from the rate in excess of one and one-half
12 percent shall be used for public infrastructure projects or voter-
13 approved infrastructure related to an economic development program as
14 defined in section 18-2705.

15 For purposes of this section, public infrastructure project means
16 and includes, but is not limited to, any of the following projects, or
17 any combination thereof: Public highways and bridges and municipal roads,
18 streets, bridges, and sidewalks; solid waste management facilities;
19 wastewater, storm water, and water treatment works and systems, water
20 distribution facilities, and water resources projects, including, but not
21 limited to, pumping stations, transmission lines, and mains and their
22 appurtenances; hazardous waste disposal systems; resource recovery
23 systems; airports; port facilities; buildings and capital equipment used
24 in the operation of municipal government; convention and tourism
25 facilities; redevelopment projects as defined in section 18-2103; mass
26 transit and other transportation systems, including parking facilities;
27 and equipment necessary for the provision of municipal services.

28 (c) Any rate greater than one and one-half percent shall terminate
29 no more than ten years after its effective date or, if bonds are issued
30 and the local option sales and use tax revenue is pledged for payment of
31 such bonds, upon payment of such bonds and any refunding bonds, whichever

1 date is later, except as provided in subdivision (2)(d) of this section.

2 (d) If a portion of the rate greater than one and one-half percent
3 is stated in the ballot question as being imposed for the purpose of the
4 interlocal agreement or joint public agency agreement described in
5 subdivision (2)(b)(i) or subsection (3) of this section, and such portion
6 is at least one-eighth percent, there shall be no termination date for
7 the rate representing such portion rounded to the next higher one-quarter
8 or one-half percent.

9 (e) Sections 13-518 to 13-522 apply to the revenue from any such tax
10 or increase.

11 (3)(a) No municipal sales and use tax shall be imposed at a rate
12 greater than one and one-half percent or increased to a rate greater than
13 one and one-half percent unless the municipality is a party to an
14 interlocal agreement pursuant to the Interlocal Cooperation Act or a
15 joint public agency agreement pursuant to the Joint Public Agency Act
16 with a political subdivision within the municipality or the county in
17 which the municipality is located creating a separate legal or
18 administrative entity relating to a public infrastructure project.

19 (b) Except as provided in subdivision (2)(b)(i) of this section,
20 such interlocal agreement or joint public agency agreement shall contain
21 provisions, including benchmarks, relating to the long-term development
22 of unified governance of public infrastructure projects with respect to
23 the parties. The Legislature may provide additional requirements for such
24 agreements, including benchmarks, but such additional requirements shall
25 not apply to any debt outstanding at the time the Legislature enacts such
26 additional requirements. The separate legal or administrative entity
27 created shall not be one that was in existence for one calendar year
28 preceding the submission of the question of such tax or increase at a
29 primary or general election held within the incorporated municipality.

30 (c) Any other public agency as defined in section 13-803 may be a
31 party to such interlocal cooperation agreement or joint public agency

1 agreement.

2 (d) A municipality is not required to use all of the additional
3 revenue generated by a sales and use tax imposed at a rate greater than
4 one and one-half percent or increased to a rate greater than one and one-
5 half percent under this subsection for the purposes of the interlocal
6 cooperation agreement or joint public agency agreement set forth in this
7 subsection.

8 (4) The provisions of subsections (2) and (3) of this section do not
9 apply to the first one and one-half percent of a sales and use tax
10 imposed by a municipality.

11 (5) Notwithstanding any provision of any municipal charter, any
12 incorporated municipality or interlocal agency or joint public agency
13 pursuant to an agreement as provided in subsection (3) of this section
14 may issue bonds in one or more series for any municipal purpose and pay
15 the principal of and interest on any such bonds by pledging receipts from
16 the increase in the municipal sales and use taxes authorized by such
17 municipality. Any municipality which has or may issue bonds under this
18 section may dedicate a portion of its property tax levy authority as
19 provided in section 77-3442 to meet debt service obligations under the
20 bonds. For purposes of this subsection, bond means any evidence of
21 indebtedness, including, but not limited to, bonds, notes including notes
22 issued pending long-term financing arrangements, warrants, debentures,
23 obligations under a loan agreement or a lease-purchase agreement, or any
24 similar instrument or obligation.

25 (6) Beginning July 1, 2024, notwithstanding any provision of this
26 section to the contrary, the sales and use tax rate imposed pursuant to
27 this section by a city of the first class shall not exceed one-half of
28 one percent on transactions occurring within the boundaries of a good
29 life district as defined in section 77-4403 that (a) is adjacent to a
30 controlled-access highway that is part of the National System of
31 Interstate and Defense Highways and (b) is located within a county with a

1 population of one hundred thousand inhabitants or more. This subsection
2 shall not be considered a law impairing bonds issued by a city for which
3 sales tax revenue has been pledged by the city if the good life district
4 applicant has provided funds to the city to retire or pay off such bonds
5 in their entirety.

6 Sec. 30. Section 77-4403, Revised Statutes Supplement, 2023, is
7 amended to read:

8 77-4403 For purposes of the Good Life Transformational Projects Act:

9 (1) Department means the Department of Economic Development;~~and~~

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

12 (3) Qualified inland port district means an inland port district
13 created pursuant to the Municipal Inland Port Authority Act that is
14 located within a city of the metropolitan class.

15 Sec. 31. Section 77-4404, Revised Statutes Supplement, 2023, is
16 amended to read:

17 77-4404 (1) Until December 31, 2024, any person may apply to the
18 department to create a good life district. All applications shall be in
19 writing and shall contain:

20 (a) A description of the proposed project to be undertaken within
21 the good life district, including a description of any existing
22 development, an estimate of the total new development costs for the
23 project, and an estimate of the number of new jobs to be created as a
24 result of the project;

25 (b) A map identifying the good life district to be used for purposes
26 of the project. For applications submitted on or after the effective date
27 of this act, the application shall also include a map of the area inside
28 of the good life district that will be designated as the good life
29 district reduced sales tax area for purposes of subdivision (6)(b) of
30 section 77-4405. For any application submitted prior to the effective
31 date of this act or for any application that does not designate the good

1 life district reduced sales tax area, the boundaries of the good life
2 district shall be considered the good life district reduced sales tax
3 area unless and until a different area is designated pursuant to
4 subdivision (7)(b) of section 77-4405;

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 applicant of any additional information needed
29 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. 32. Section 77-4405, Revised Statutes Supplement, 2023, is
8 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 applicant demonstrates that the total new development costs
16 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, or village within a
26 county with a population of less than one hundred thousand inhabitants;

27 (b) The applicant demonstrates that the project will directly or
28 indirectly result in the creation of:

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

31 (ii) Five hundred new jobs if the project will be located in a city

1 of the primary class;

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

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

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

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

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

30 (4) A project is not eligible if:

31 (a) The ~~the~~ project includes a licensed racetrack enclosure or an

1 authorized gaming operator as such terms are defined in section 9-1103,
2 except that this subdivision shall not apply to infrastructure or
3 facilities that are (i) publicly owned or (ii) used by or at the
4 direction of the Nebraska State Fair Board, so long as no gaming devices
5 or games of chance are expected to be operated by an authorized gaming
6 operator within any such facilities; -

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

11 (c) The project includes any portion of a public or private
12 university.

13 (5) Approval of an application under this section shall establish
14 the good life district as that area depicted in the map accompanying the
15 application as submitted pursuant to subdivision (1)(b) of section
16 77-4404. Such district shall last for thirty ~~twenty-five~~ years and shall
17 not exceed two thousand acres in size if in a city of the metropolitan
18 class or three thousand acres in size if in any other class of city or
19 village, except that for any good life district created within a
20 qualified inland port district, the district shall not exceed the size of
21 such qualified inland port district.

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

25 (b) On and after July 1, 2024, any transactions occurring within a
26 good life district reduced sales tax area shall be subject to a reduced
27 state sales tax rate as provided in subdivision (6) of section
28 77-2701.02.

29 (7) After establishment of a good life district pursuant to this
30 section, the approved applicant:

31 (a) May adjust the boundaries of the district by filing an amended

1 map with the department. The department shall solicit input from the city
2 or village in which the good life district is located and may approve the
3 new map if the department finds (i) that no area being removed from the
4 district is generating material revenue that has been pledged for payment
5 of bonds issued pursuant to the Good Life District Economic Development
6 Act, (ii) that the project will continue to meet the eligibility
7 requirements of this section, and (iii) that the amended map will further
8 the purposes of the Good Life Transformational Projects Act; and

9 (b) May submit to the department at any time a map of the area
10 inside of the good life district that such applicant is designating or
11 redesignating as the good life district reduced sales tax area. The
12 department shall solicit input from the city or village in which the good
13 life district is located and may approve the map if the department finds
14 (i) that the area designated or redesignated will assist the project in
15 meeting or exceeding the eligibility requirements of this section and
16 (ii) that the area designated or redesignated will further the purposes
17 of the Good Life Transformational Projects Act.

18 (8) After establishment of a good life district pursuant to this
19 section and after any modification is made to the boundaries of a good
20 life district or good life district reduced sales tax area pursuant to
21 this section, the department shall transmit to any city or village which
22 includes such good life district within its boundaries or within its
23 extraterritorial zoning jurisdiction (a) all information held by the
24 department related to the application and approval of the application,
25 (b) all documentation which describes the property included within the
26 good life district and good life district reduced sales tax area, and (c)
27 all documentation transmitted to the applicant for such good life
28 district with approval of the application and establishment of the good
29 life district. Such city or village shall be subject to the same
30 confidentiality restrictions as provided in subsection (3) of section
31 77-4404.

1 (9) In addition to the application to create a good life district
2 submitted pursuant to section 77-4404, an applicant may also apply to the
3 department for approval of a plan to construct and maintain facilities
4 whose primary tenant will be a United States Olympic Team or a
5 professional sports team. The department may approve the application if
6 the department determines that such plan furthers the purposes of the
7 Good Life Transformational Projects Act. The cost to construct such
8 facility shall be considered a new development cost for purposes of
9 subdivision (2)(a) of this section.

10 (10) After establishment of a good life district that exceeds one
11 thousand acres in size, the original applicant may apply to the
12 department to establish development standards for the good life district.
13 Such standards may include, but are not limited to, zoning requirements
14 and standards for architectural design, landscape design, construction
15 materials, sustainability, and participation in a retail ecosystem. The
16 department shall solicit input from the city or village in which the good
17 life district is located and may approve the standards if the department
18 finds that the standards will ensure a comprehensive and cohesive
19 character and aesthetic for development in the good life district and the
20 standards will further the purposes of the Good Life Transformational
21 Projects Act. The standards shall apply to all new construction inside of
22 the good life district and shall be in addition to any local zoning and
23 comprehensive plan requirements.

24 ~~(6) Upon establishment of a good life district under this section,~~
25 ~~any transactions occurring within the district shall be subject to a~~
26 ~~reduced sales tax rate as provided in section 77-2701.02.~~

27 Sec. 33. Section 77-4406, Revised Statutes Supplement, 2023, is
28 amended to read:

29 77-4406 The department shall terminate a good life district
30 established pursuant to section 77-4405 if the applicant has not met
31 seventy-five percent of the investment threshold required under

1 subdivision (2)(a) of section 77-4405 within seven ~~ten~~ years after
2 establishment of such district.

3 Sec. 34. If any section in this act or any part of any section is
4 declared invalid or unconstitutional, the declaration shall not affect
5 the validity or constitutionality of the remaining portions.

6 Sec. 35. Original sections 13-520, 18-1208, 18-2103, and 77-27,142,
7 Reissue Revised Statutes of Nebraska, and sections 77-2701.02, 77-27,132,
8 77-4403, 77-4404, 77-4405, and 77-4406, Revised Statutes Supplement,
9 2023, are repealed.

10 Sec. 36. Since an emergency exists, this act takes effect when
11 passed and approved according to law.