



**Hundredth Legislature - First Session - 2007**  
**Committee Statement**  
**LB 359**

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**Hearing Date:** January 24, 2007  
**Committee On:** Revenue

**Introducer(s):** (Pankonin, 2)  
**Title:** Change use of certain sales tax proceeds

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**Roll Call Vote – Final Committee Action:**

Advanced to General File  
Advanced to General File with Amendments  
X Indefinitely Postponed

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**Vote Results:**

5	Yes	Senators Dierks, Cornett, Preister, Raikes and White
2	No	Senators Burling and Langemeier
0	Present, not voting	
1	Absent	Senator Janssen

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**Proponents:**

Senator Dave Pankonin  
Lynn Rex  
Stephen A. Johnson

Jim Litchfield

**Representing:**

Introducer  
League of NE Municipalities  
City of Tecumseh and  
League of NE Municipalities  
City of Wakefield

**Opponents:**

None

**Representing:**

**Neutral:**

Jack Cheloha

**Representing:**

City of Omaha

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**Summary of purpose and/or changes:**

The bill would have amended current law (Section 39-2520), which requires cities using the local option sales tax to use all their sales tax on motor vehicle revenue for street or road construction.

The proposed bill would have created an exception for sales tax revenues under the Local Option Municipal Economic Development Act. Under this Act, cities may hold a public vote to authorize the use of local option sales taxes for a specific project or program of economic development.

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With LB 359, all the voter approved additional sales taxes, including those from motor vehicle sales, would have been directed to the project approved by the voters.

**Explanation of amendments, if any:**

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**Senator Ray Janssen, Chairperson**