

## ONE HUNDRED THIRD LEGISLATURE

## SECOND SESSION

**LEGISLATIVE RESOLUTION 599**

Introduced by Davis, 43; Avery, 28; McGill, 26.

PURPOSE: The purpose of this interim study is to examine issues surrounding the use of tax increment financing under the Community Development Law in Nebraska. This study shall include, but not be limited to:

(1) The current processes used by municipalities in determining whether a project is eligible to receive tax increment financing and whether current law is being met;

(2) Whether municipalities are consistently conducting the cost-benefit analysis required under section 18-2113;

(3) Whether municipalities are ensuring that projects authorized under the Community Development Law are meeting the "but for" test;

(4) Whether there is adequate transparency surrounding the use of tax increment financing;

(5) The rate of return of tax increment financing projects to municipalities and other local governments, and whether certain types of projects have higher returns than others;

(6) The extent to which tax increment financing results in lost property tax revenue for other local governments, including, but not limited to, school districts, community colleges, and natural resources districts, and whether impacted local governments should be part of the tax increment financing approval process; and

(7) A determination of any changes that should be made to the Community Development Law in order to remedy deficiencies and improve transparency.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED THIRD LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Urban Affairs Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.