

ONE HUNDRED FOURTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 273

Introduced by Davis, 43.

PURPOSE: The purpose of this resolution is to examine the current practices of municipalities using tax increment financing (TIF) under the Community Development Law. The issues examined by this study shall include, but not be limited to:

(1) Whether municipalities are consistently conducting the cost-benefit analysis required under section 18-2113 of the Nebraska statutes;

(2) What factors municipalities are using to determine whether projects authorized under the Community Development Law are meeting the test in section 18-2116 of the Nebraska statutes;

(3) Whether municipalities are accurately applying the definitions of substandard and blighted areas as described in section 18-2103 of the Nebraska statutes for purposes of declaring an area as such;

(4) The prevalence of TIF being utilized by municipalities as a development tool for building housing subdivisions or other private development projects;

(5) Whether the current requirement that municipalities give notice to the other taxing entities whose property tax receipts would be affected by a potential project allows for sufficient input and cooperation among the taxing authorities;

(6) Whether impacted local governments or other taxing entities should have more participation in the TIF approval process;

(7) Whether the local presence of TIF projects adversely affects the property tax receipts of other local taxing entities, such as school districts, community colleges, and natural resources districts;

(8) Whether municipalities are paying off bonds in a timely manner and

using any excess TIF funds appropriately;

(9) How prevalently TIF is being used in conjunction or concurrently with other tax-supported economic development incentives; and

(10) A determination of any changes that should be made to the Community Development Law to address any inadequacies or inconsistencies in these areas.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, FIRST 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.