



Ninety-Seventh Legislature - Second Session - 2002  
**Introducer's Statement of Intent**  
**LB 1240**

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**Chairperson:** Senator DiAnna R. Schimek  
**Committee:** Government, Military and Veterans Affairs  
**Date of Hearing:** February 21, 2002

The following constitute the reasons for this bill and the purposes which are sought to be accomplished thereby:

This legislation proposes several changes to the Nebraska Visitors Development Act, only two of which are substantive.

First, under defined circumstances, a city would be permitted (if it chose to do so) to take over all of the local tourism activities authorized by the Act.

If, in two consecutive years, more than 50% of the "lodging" tax receipts collected in a county which has a population in excess of one hundred thousand persons (Douglas, Lancaster, and Sarpy Counties) are collected from facilities within a single city in that county, the city would be authorized to assume immediate control of the Visitors Promotion Fund of the county (and the Visitor's Improvement Fund, if one exists) and would appoint a new Visitor's Committee (the old county-appointed committee being immediately disbanded). The take-over would be subject to any contractual obligations of the fund as it existed on the date of transfer.

Thereafter, the city would operate under the Act with the same powers, duties, and authority as counties.

Secondly, it would authorize counties with a population in excess of one hundred thousand inhabitants to establish a Visitor's Improvement Fund and spend the proceeds for capital improvements of tourism attractions in the county.

Under current law, only counties with a population in excess of three hundred thousand persons may establish an Improvement Fund (Douglas County only). These amendments would permit Lancaster and Sarpy County to do so as well, regardless of whether or not a city in either of those counties has assumed responsibility for tourism activities under the Act.

Other changes involve only "harmonizations" to conform the rest of the Act to the substantive changes (for example, change the name of the funds from "County" to "Local" since a city might assume responsibility for such funds).

The basic purpose of this legislation is to promote more centralized, efficient and effective local administration of programs in our larger counties and to provide more funding options for smaller counties.

**Principal Introducer:** \_\_\_\_\_  
**Senator D. Paul Hartnett**