

E AND R AMENDMENTS TO LB 863

Introduced by Larson, 40, Chairman Enrollment and Review

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

3           Section 1. Section 18-2701, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           18-2701 Sections 18-2701 to 18-2738 and section 3 of this  
6 act shall be known and may be cited as the Local Option Municipal  
7 Economic Development Act.

8           Sec. 2. Section 18-2709, Revised Statutes Supplement,  
9 2011, is amended to read:

10           18-2709 (1) Qualifying business means any corporation,  
11 partnership, limited liability company, or sole proprietorship  
12 which derives its principal source of income from any of the  
13 following: The manufacture of articles of commerce; the conduct  
14 of research and development; the processing, storage, transport,  
15 or sale of goods or commodities which are sold or traded in  
16 interstate commerce; the sale of services in interstate commerce;  
17 headquarters facilities relating to eligible activities as  
18 listed in this section; telecommunications activities, including  
19 services providing advanced telecommunications capability; ~~or~~  
20 tourism-related activities; or the production of films, including  
21 feature, independent, and documentary films, commercials, and  
22 television programs.

23           (2) Qualifying business also means:

1           (a) In cities of the first and second class and villages,  
2 a business that derives its principal source of income from the  
3 construction or rehabilitation of housing;

4           (b) A business that derives its principal source of  
5 income from retail trade, except that no more than forty percent of  
6 the total revenue generated pursuant to the Local Option Municipal  
7 Economic Development Act for an economic development program in any  
8 twelve-month period and no more than twenty percent of the total  
9 revenue generated pursuant to the act for an economic development  
10 program in any five-year period, commencing from the date of  
11 municipal approval of an economic development program, shall be  
12 used by the city for or devoted to the use of retail trade  
13 businesses. For purposes of this subdivision, retail trade means  
14 a business which is principally engaged in the sale of goods or  
15 commodities to ultimate consumers for their own use or consumption  
16 and not for resale; and

17           (c) In cities with a population of two thousand five  
18 hundred inhabitants or less, a business shall be a qualifying  
19 business even though it derives its principal source of income from  
20 activities other than those set out in this section.

21           (3) If a business which would otherwise be a qualifying  
22 business employs people and carries on activities in more than  
23 one city in Nebraska or will do so at any time during the first  
24 year following its application for participation in an economic  
25 development program, it shall be a qualifying business only if, in  
26 each such city, it maintains employment for the first two years  
27 following the date on which such business begins operations in the

1 city as a participant in its economic development program at a  
2 level not less than its average employment in such city over the  
3 twelve-month period preceding participation.

4 (4) A qualifying business need not be located within the  
5 territorial boundaries of the city from which it is or will be  
6 receiving financial assistance.

7 Sec. 3. A qualifying business which derives its principal  
8 source of income from the production of films, commercials, and  
9 television programs and which is utilizing an economic development  
10 program shall (1) provide notice to the Nebraska Film Office or its  
11 successor of each project for which the qualifying business intends  
12 to utilize the economic development program and (2) acknowledge  
13 in the production credits of the film, commercial, or television  
14 program the State of Nebraska and the city operating the economic  
15 development program. The acknowledgment shall be required only when  
16 production credits are displayed and shall not be required if  
17 prohibited by local, state, or federal law, rule, or regulation.

18 Sec. 4. Original section 18-2701, Reissue Revised  
19 Statutes of Nebraska, and section 18-2709, Revised Statutes  
20 Supplement, 2011, are repealed.

21 2. On page 1, strike beginning with "18-2709" in line 2  
22 through line 5 and insert "18-2701, Reissue Revised Statutes of  
23 Nebraska, and section 18-2709, Revised Statutes Supplement, 2011;  
24 to redefine qualifying business to include film production; to  
25 provide duties for qualifying businesses; to harmonize provisions;  
26 and to repeal the original sections."