

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 924**

Final Reading

Introduced by Mello, 5.

Read first time January 10, 2012

Committee: Urban Affairs

A BILL

1 FOR AN ACT relating to the Nebraska Redevelopment Act; to amend  
2 sections 58-501, 58-503, 58-504, 58-505, 58-507, 58-508,  
3 58-509, 58-510, and 58-533, Reissue Revised Statutes of  
4 Nebraska; to change the membership of the board created  
5 under the act; to change provisions relating to the area  
6 and project applications; to change provisions relating  
7 to the division and treatment of property tax; to provide  
8 duties for the county assessor, city or joint entity, and  
9 Property Tax Administrator; to extend the deadline for  
10 the filing of applications under the act; to redefine  
11 terms; to harmonize provisions; and to repeal the  
12 original sections.

13 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 58-501, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           58-501 Sections 58-501 to 58-533 and section 9 of this  
4 act shall be known and may be cited as the Nebraska Redevelopment  
5 Act.

6           Sec. 2. Section 58-503, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8           58-503 For purposes of the Nebraska Redevelopment Act,  
9 the following definitions apply:

10           (1) Any term not otherwise defined has the same meaning  
11 as used in the Interlocal Cooperation Act;

12           (2) Area application means the area application in  
13 section 58-504;

14           (3) Area of operation means and includes the area within  
15 the corporate limits of the public body;

16           (4) Base year means the year immediately preceding the  
17 year during which the project application was submitted;

18           (5) Base-year employee means any individual who was  
19 employed in Nebraska and subject to the Nebraska income tax on  
20 compensation received from the company or its predecessors during the  
21 base year and who is employed at the redevelopment project;

22           (6) Blighted and substandard area means an area either  
23 within a city or cities or ~~up to ten miles outside of the area of~~  
24 ~~operation of a city or cities of the metropolitan or primary class,~~  
25 ~~up to six miles outside of the area of operation of a city or cities~~

1 ~~of the first class, and up to three miles outside of the area of~~  
2 ~~operation of a city or cities of the~~ within the extraterritorial  
3 zoning jurisdiction of a city or cities of the metropolitan, primary,  
4 first, or second class or village or villages, or any combination  
5 thereof, in which by reason of (a) the existence of significant areas  
6 of unimproved or insufficiently developed land, (b) the lack of a  
7 significant number of new and growing business enterprises, (c) the  
8 lack of sufficient economic growth, (d) the dilapidation,  
9 deterioration, age, or obsolescence of buildings and improvements,  
10 (e) the lack of a state, regional, or local redevelopment plan or  
11 program, (f) the existence of significant conditions which prevent or  
12 do not promote economic growth within such area, (g) the lack of  
13 medical and health care facilities, (h) the lack of utilities and  
14 other government services infrastructure, or (i) any combination of  
15 such factors, there exists (i) insufficient safe, sanitary, and  
16 available housing for low-income and moderate-income families and  
17 persons, including, but not limited to, persons displaced by clearing  
18 of slums or blighted areas or by other public programs, (ii) job  
19 growth at less than the United States or midwest average job growth  
20 rates, (iii) average wages at less than the United States or midwest  
21 average wage levels, (iv) a net emigration of population, (v)  
22 population growth that is less than that of the United States or the  
23 midwest, (vi) the failure to utilize substantial land areas at their  
24 highest and best uses in comparison to other areas within such city  
25 or cities, (vii) an abundance of property that is not on the tax

1 rolls at levels at least equal to industrial and residential  
2 valuation levels, or (viii) any combination of such results, except  
3 that blighted and substandard area does not mean an area within the  
4 extraterritorial zoning jurisdiction of a city or village if such  
5 extraterritorial zoning jurisdiction overlaps with the  
6 extraterritorial zoning jurisdiction of any other city or village;

7 (7) Board means a board consisting of the Governor, the  
8 ~~State Treasurer, and the chairperson~~ executive director of the  
9 Nebraska Investment ~~Council~~; Finance Authority, and:

10 (a) If the applicant is a city, the mayor and director of  
11 finance, if any, of such city and the county commissioner or county  
12 supervisor who represents that portion of a county in which is  
13 located the largest portion of the area proposed to be designated  
14 blighted and substandard; or

15 (b) If the applicant is a joint entity, the mayor and  
16 director of finance, if any, of the city in which is located the  
17 largest portion of the area proposed to be designated blighted and  
18 substandard and the county commissioner or county supervisor who  
19 represents that portion of a county in which is located the largest  
20 portion of the area proposed to be designated blighted and  
21 substandard;

22 (8) Bonds means any bonds, including refunding bonds,  
23 notes, interim certificates, debentures, or other obligations issued  
24 pursuant to the Nebraska Redevelopment Act;

25 (9) City means any city or incorporated village of this

1 state;

2 (10) Company means any person subject to the sales and  
3 use taxes and either an income tax imposed by the Nebraska Revenue  
4 Act of 1967 or a franchise tax under sections 77-3801 to 77-3807, any  
5 corporation, partnership, limited liability company, or joint venture  
6 that is or would otherwise be a member of the same unitary group, if  
7 incorporated, which is, or whose partners, members, or owners are,  
8 subject to such taxes, and any other partnership, limited liability  
9 company, subchapter S corporation, or joint venture when the  
10 partners, owners, shareholders, or members are subject to such taxes;

11 (11) Contracting public body means the city or joint  
12 entity that enters into the project agreement with the company;

13 (12) Designated blighted and substandard area means an  
14 area that is a blighted and substandard area which the board  
15 designates as such under the Nebraska Redevelopment Act. Such area  
16 may include the area of operation of more than one taxing body;

17 (13) Employee means a person employed at a business as a  
18 result of the redevelopment project;

19 (14) Equivalent employees means the number of employees  
20 computed by dividing the total hours paid in a year by the product of  
21 forty times the number of weeks in a year;

22 (15) Governing body means the city council, board of  
23 trustees, other legislative body, or person or persons charged with  
24 governing the taxing body or contracting public body;

25 (16) Investment means the value of qualified property

1 incorporated into or used at the project after the date of the  
2 application. For qualified property owned by the company, the value  
3 is the original cost of the property. For qualified property rented  
4 by the company, the value is the average net annual rent multiplied  
5 by the number of years of the lease for which the company was  
6 originally bound, not to exceed ten years or the end of the third  
7 year after the entitlement period, whichever is earlier. The rental  
8 of land included in and incidental to the leasing of a building is  
9 not excluded from the computation;

10 (17) Joint entity means a joint entity created pursuant  
11 to the Interlocal Cooperation Act or a joint public agency created  
12 pursuant to the Joint Public Agency Act, but consisting only of two  
13 or more cities. Such joint entity shall have all of the powers set  
14 forth in the Nebraska Redevelopment Act and the Interlocal  
15 Cooperation Act or the Joint Public Agency Act;

16 (18) Number of new employees means the number of  
17 equivalent employees that are employed at a business as a result of  
18 the redevelopment project during a year that are in excess of the  
19 number of equivalent employees employed at the redevelopment project  
20 ~~during a year over the number of equivalent employees during the base~~  
21 ~~year;~~

22 (19) Obligee means any bondholder, agent, or trustee for  
23 any bondholder, or lessor demising to any public body property used  
24 in connection with a redevelopment project or any assignee or  
25 assignees of such lessor's interest or any part thereof;

1           (20) Person means any individual, firm, partnership,  
2 corporation, company, association, joint-stock association, limited  
3 liability company, subchapter S corporation, or body politic and  
4 includes any trustee, receiver, assignee, or similar representative;

5           (21) Personal property has the same meaning as in section  
6 77-104;

7           (22) Project agreement means the project agreement  
8 provided for in the Nebraska Redevelopment Act between the company  
9 and the applicable contracting public body;

10          (23) Project application means the project application in  
11 section 58-505;

12          (24) Project area means the area described in the project  
13 application. Such area may include the area of operation of more than  
14 one taxing body;

15          (25) Public body means any Nebraska county, city, school  
16 district, or contracting public body;

17          (26) Qualified business means any business engaged in the  
18 activities listed in subdivisions (a) through (e) of this subdivision  
19 or in the storage, warehousing, distribution, transportation, or sale  
20 of tangible personal property. Qualified business does not include  
21 any business activity in which eighty percent or more of the total  
22 sales are sales to the ultimate consumer of food prepared for  
23 immediate consumption or are sales to the ultimate consumer of  
24 tangible personal property which is not assembled, fabricated,  
25 manufactured, or processed by the company or used by the purchaser in

1 any of the following activities:

2 (a) The conducting of research, development, or testing  
3 for scientific, agricultural, animal husbandry, food product, or  
4 industrial purposes;

5 (b) The performance of data processing,  
6 telecommunication, insurance, or financial services. Financial  
7 services, for purposes of this subdivision, only includes financial  
8 services provided by any financial institution subject to tax under  
9 sections 77-3801 to 77-3807 or any person or entity licensed by the  
10 Department of Banking and Finance or the federal Securities and  
11 Exchange Commission;

12 (c) The assembly, fabrication, manufacture, or processing  
13 of tangible personal property;

14 (d) The administrative management of any activities,  
15 including headquarter facilities, relating to such activity; or

16 (e) Any combination of the activities listed in this  
17 subdivision;

18 (27) Qualified property means any tangible property of  
19 the type subject to depreciation, amortization, or other recovery  
20 under the Internal Revenue Code or the components of such property  
21 that will be located and used at the redevelopment project. Qualified  
22 property does not include aircraft, barges, motor vehicles, railroad  
23 rolling stock, or watercraft or property that is rented by the  
24 company that is party to the project agreement to another person;

25 (28) Real property has the same meaning as in section

1 77-103;

2 (29) Redevelopment period means a period of ten years  
3 beginning with the year after which the required increases in  
4 employment and investment were met or exceeded and the next nine  
5 years;

6 (30) Redevelopment project means a project described in  
7 the Nebraska Redevelopment Act, approved as described in the act;

8 (31) Redevelopment project valuation means the valuation  
9 for assessment of the taxable real property and taxable personal  
10 property in the project area of a redevelopment project last  
11 certified for the year prior to the effective date of the project  
12 agreement;

13 (32) Taxing body means any Nebraska city, village,  
14 municipality, county, township, board, commission, authority,  
15 district, or other political subdivision or public body of the state  
16 having the power to levy ad valorem taxes; and

17 (33) Year means the taxable year of the company.

18 The changes made in this section by Laws 1997, LB 264,  
19 apply to investments made or employment on or after January 1, 1997,  
20 and for all agreements in effect on or after January 1, 1997.

21 Sec. 3. Section 58-504, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23 58-504 (1) Any city or joint entity may apply to the  
24 state to designate an area as a designated blighted and substandard  
25 area under the Nebraska Redevelopment Act. Such area may extend ~~up to~~

1 ~~ten miles outside of the area of operation within the~~  
2 extraterritorial zoning jurisdiction of an applying city of the  
3 metropolitan or primary class or joint entity, ~~up to six miles~~  
4 ~~outside of the area of operation of an applying city of the first~~  
5 class or joint entity, ~~and up to three miles outside of the area of~~  
6 ~~operation of or~~ an applying city of the second class or village or  
7 joint entity, except that an area within the extraterritorial zoning  
8 jurisdiction of a city or village shall not be designated as a  
9 designated blighted and substandard area if such extraterritorial  
10 zoning jurisdiction overlaps with the extraterritorial zoning  
11 jurisdiction of any other city or village.

12 (2) To apply for such designation, such city or joint  
13 entity shall file an area application with the board. The area  
14 application shall contain:

15 (a) The proposed area to be designated as the designated  
16 blighted and substandard area;

17 (b) A description of the characteristics of such area  
18 that cause it to be a blighted and substandard area under the act;

19 (c) A statement that such city or joint entity intends  
20 that such area be designated by the board as a designated blighted  
21 and substandard area in order to allow for potential redevelopment  
22 projects under the act;

23 (d) The application to the state must have a description  
24 of the specific project for which a designation has been requested.  
25 No other project can be initiated, if such designation is approved,

1 without again making application to the board; and

2 (e) Such other information as the board determines is  
3 necessary to decide whether the area is a blighted and substandard  
4 area under the act.

5 (3) The city or joint entity filing such area application  
6 shall at the same time of filing such application also provide notice  
7 of such filing and a copy of such area application to any governing  
8 body of the other public bodies whose area of operation is covered in  
9 whole or in part by the proposed designated blighted and substandard  
10 area and to any school district which has territory within ~~twenty~~  
11 ~~miles of or abutting~~ the border of the proposed designated blighted  
12 and substandard area.

13 (4) Upon receipt of an area application, the board shall  
14 schedule a public hearing to be held within fifteen days after such  
15 receipt to receive public input. The board shall publish notice of  
16 the public hearing for five business days in advance of the hearing  
17 in some legal newspaper of general circulation near the proposed  
18 designated area. The notice shall list the name of the city or joint  
19 entity that filed the application and the legal or other sufficient  
20 description of the area and shall state that the area is proposed to  
21 be designated as a blighted and substandard area under the Nebraska  
22 Redevelopment Act.

23 (5) The board shall determine by majority vote no sooner  
24 than fifteen days but no later than sixty days after the date of  
25 filing of the area application whether to approve or disapprove the

1 area application's request for designation of such area. Within ten  
2 days after receipt of such area application, any other governing body  
3 of any public body whose area of operation is included in whole or in  
4 part in the proposed designated blighted and substandard area and any  
5 school district which has territory within ~~twenty miles of or~~  
6 abutting the border of the proposed designated blighted and  
7 substandard area may file a written objection with the board which  
8 the board shall consider in its decision as to whether or not it  
9 approves the application.

10 (6) The address of the board shall be the address of the  
11 Department of Revenue.

12 (7) The board may approve the area application if the  
13 proposed designated blighted and substandard area fits within the  
14 definition of such an area under the act and if such area application  
15 is in the public interest. Such designation shall not affect whether  
16 such area is considered blighted or substandard under any law other  
17 than the act. Such designation shall if approved remain in effect for  
18 project applications filed within twelve months after the date of  
19 designation if at the time of any project application being  
20 submitted, the project area continues to fit within the definition of  
21 blighted and substandard relied on in making the original  
22 designation.

23 (8) The board may modify or return the area application  
24 or approve a smaller blighted and substandard area that is contained  
25 within the area proposed in the area application without additional

1 notice or publication if in the public interest and if such smaller  
2 area is within the definition of a blighted and substandard area  
3 under the act.

4 (9) If the board approves such area application, then,  
5 for purposes of Article VIII, section 12, of the Constitution of  
6 Nebraska, as applied in the act, the designated blighted and  
7 substandard area is considered as determined by law to be a  
8 designated blighted and substandard area and the property within such  
9 area is considered to be determined by law to be substandard and  
10 blighted property.

11 (10) The area application and all supporting information  
12 shall be considered public information.

13 Sec. 4. Section 58-505, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15 58-505 (1) A company may file a project application with  
16 the city or joint entity that filed the area application for the  
17 designated blighted and substandard area to undertake and complete a  
18 redevelopment project in such designated area and to obtain tax  
19 increment financing under the Nebraska Redevelopment Act for such  
20 project. Such application may be filed either before or after  
21 approval by the board of the area application for designation of such  
22 area. The company shall, at the time of filing the project  
23 application with the city or joint entity, also file a copy of such  
24 project application with the governing body of each of the public  
25 bodies whose area of operation or the area within three miles thereof

1 includes in whole or in part the project area. Not later than five  
2 calendar days before approving or disapproving the project  
3 application, the city or joint entity shall, by United States mail,  
4 postage prepaid, mail to the owners of real property described in the  
5 project application as being within the project area a written notice  
6 stating that the property owned by the person or persons is proposed  
7 to be included in the project area of a project under the Nebraska  
8 Redevelopment Act, that a project application has been filed with the  
9 city or joint entity, the date, time, and location of the public  
10 hearing, and where additional information may be obtained. The notice  
11 shall be sent to the owner or owners of the real property as their  
12 names appear and at the address indicated in the records of the  
13 county assessor for property tax purposes on the business day  
14 immediately prior to the date of the mailing. The city or joint  
15 entity may, but shall not be required to, send the notice by  
16 certified or registered United States mail. Substantial compliance  
17 with this notice requirement shall be deemed sufficient for all  
18 purposes of the act.

19 (2) Such city or joint entity shall no sooner than twenty  
20 days after the filing of such project application, and no later than  
21 sixty days after the filing of such project application, either  
22 approve or disapprove such project application. Such project  
23 application shall not be approved if (a) the governing body of a  
24 county whose area of operation includes in whole or part the project  
25 area, (b) the governing body of a city whose area of operation and

1 the area within three miles thereof includes in whole or part the  
2 project area, or (c) any electric utility serving the project area  
3 shall, within fifteen days after receipt of the project application,  
4 file with such city or joint entity a written objection to approval  
5 of the project application signed by the head of such governing body.  
6 The city, county, or electric utility may withdraw the objection  
7 within thirty days after it is filed.

8 (3) The project application shall contain:

9 (a) The exact name of the company and any related  
10 companies which will be included in the redevelopment project;

11 (b) A statement describing in detail the nature of the  
12 company's business, including the products sold and respective  
13 markets;

14 (c) A legal description of the project area;

15 (d) A detailed narrative that describes the proposed  
16 redevelopment project, including an allocation of the proposed  
17 expenditures for site acquisition, site preparation, and buildings  
18 and improvement construction, equipment, and other personal property  
19 purchases and leases;

20 (e) A request that the proposed redevelopment project be  
21 considered for approval by such city or joint entity;

22 (f) A copy of the company's internal authorization for  
23 the redevelopment project; and

24 (g) The number of base-year employees and the expected  
25 number of new employees, including the expected timing of the hiring

1 of the new employees, the anticipated timing and anticipated amounts  
2 of new investment in buildings, equipment, and other real property  
3 and personal property and the average salaries expected by category  
4 for the new employees to be employed at the redevelopment project.

5 (4) The city or joint entity shall determine whether to  
6 approve the company's project application based on its determination  
7 as to whether the redevelopment project will sufficiently help enable  
8 the state and local communities to accomplish the legislative  
9 purposes of the act. The city or joint entity shall be governed by  
10 and shall take into consideration all of the following factors in  
11 making such determination:

12 (a) The timing, number, wage levels, employee benefit  
13 package, and types of new jobs to be created by the redevelopment  
14 project;

15 (b) The type of industry in which the company and the  
16 project would be engaged;

17 (c) The timing, amount of, and types of investment in  
18 qualified property to be made at the project;

19 (d) Whether the city or joint entity believes the  
20 redevelopment project would occur in this state regardless of whether  
21 the application was approved; and

22 (e) Whether the benefits allowed by the act for the  
23 redevelopment project, when compared to the local tax revenue and  
24 fees generated by the redevelopment project investment and  
25 employment, both on a direct and indirect multiplier basis, provide

1 an adequate net benefit to the public bodies affected by such  
2 redevelopment project.

3 (5) A project shall be considered eligible under the act  
4 and may be approved by the city or joint entity only if the  
5 application defines a redevelopment project (a) which is consistent  
6 with the legislative purposes contained in section 58-502 in one or  
7 more qualified business activities within the project area and (b)  
8 that will result at the project area in the investment in qualified  
9 property of at least ~~fifty-twenty-five~~ million dollars and the hiring  
10 of a number of new employees of at least ~~five hundred, one hundred~~  
11 fifty, and when such new investment and employment will occur within  
12 five years, meaning by the end of the fourth year after the end of  
13 the year the application was filed, and such new investment and  
14 employment will be maintained for the entire redevelopment period.  
15 These thresholds shall constitute the required levels of employment  
16 and investment for purposes of the act.

17 (6) If the redevelopment project application is approved  
18 by the city or joint entity, the city or joint entity shall as the  
19 contracting public body enter into a written project agreement with  
20 the company. The project agreement shall be executed on behalf of the  
21 contracting public body by the person normally or specifically  
22 authorized to execute agreements on behalf of such entity. In the  
23 project agreement, the company shall agree to complete the  
24 redevelopment project and the contracting public body shall designate  
25 the approved plans of the company as a redevelopment project and, in

1 consideration of the company's agreement, agree to allow the  
2 provisions relating to indebtedness by a city or cities and the  
3 payment of such indebtedness through tax increment financing as  
4 provided for in the act. The contracting public body shall not incur  
5 indebtedness under the agreement except for the purposes of land  
6 acquisition, site preparation, extension of public services, and  
7 improvements to the site, including buildings for other than  
8 residential use. The project agreement shall contain other terms as  
9 the city or joint entity and the company determine are appropriate or  
10 necessary to protect the affected public bodies and to carry out the  
11 legislative purposes of the act and may contain terms for a recapture  
12 or other remedy if the company fails to attain the required levels of  
13 employment and investment within the time period contained in the act  
14 or fails to maintain such levels for the redevelopment period. The  
15 project application shall be considered as part of the project  
16 agreement.

17 (7) If the city or joint entity approves such project  
18 application, then the project area is, for purposes of Article VIII,  
19 section 12, of the Constitution of Nebraska, as applied in the act,  
20 considered as determined by law to be substandard and blighted  
21 property in a redevelopment project.

22 Sec. 5. Section 58-507, Reissue Revised Statutes of  
23 Nebraska, is amended to read:

24 58-507 (1) The project agreement shall contain a  
25 provision that all property taxes levied on the assessed valuation of

1 the real property or personal property, or both, or any portion  
2 thereof, in the project area of the redevelopment project by or for  
3 the benefit of all taxing bodies shall be divided, for a period not  
4 to exceed fifteen years after the effective date of such project  
5 agreement, as follows:

6           ~~(1)~~—(a) That portion of the property tax which is  
7 produced by the levy at the rate fixed each year by or for each such  
8 taxing body upon the redevelopment project valuation shall be paid  
9 into the funds of each such taxing body in the same proportion as are  
10 all other taxes collected by or for such taxing body. When there is  
11 not a redevelopment project valuation on a parcel or parcels, the  
12 county assessor shall determine the redevelopment project valuation  
13 based upon the fair market valuation of the parcel or parcels as of  
14 January 1 of the year prior to the year that the property taxes are  
15 to be divided. The county assessor shall provide written notice of  
16 the redevelopment project valuation to the taxing body and the owner.  
17 The taxing body or the owner may protest the valuation to the county  
18 board of equalization within thirty days after the date of the  
19 valuation notice. All provisions of section 77-1502 except dates for  
20 filing of a protest, the period for hearing protests, and the date  
21 for mailing notice of the county board of equalization's decision are  
22 applicable to any protest filed pursuant to this section. The county  
23 board of equalization shall decide any protest filed pursuant to this  
24 section within thirty days after the filing of the protest. The  
25 county clerk shall mail a copy of the decision made by the county

1 board of equalization on protests pursuant to this section to the  
2 taxing body or the owner within seven days after the board's  
3 decision. Any decision of the county board of equalization may be  
4 appealed to the Tax Equalization and Review Commission, in accordance  
5 with section 77-5013, within thirty days after the date of the  
6 decision; and

7           ~~(2)~~ (b) That portion of the property tax on real  
8 property, personal property, or both, as provided in the project  
9 agreement in the redevelopment project in excess of such amount, if  
10 any, shall be allocated to and, when collected, paid into a special  
11 fund established by the contracting public body to pay the principal  
12 of, the interest on, and any premiums due in connection with the  
13 bonds, loans, notes, advances of money, or other indebtedness  
14 incurred by, whether funded, refunded, assumed, or otherwise, such  
15 contracting public body for financing or refinancing, in whole or in  
16 part, such redevelopment project. When such bonds, loans, notes,  
17 advances of money, or other indebtedness, including interest and  
18 premiums due, have been paid, the contracting public body shall so  
19 notify the county assessor and county treasurer and all property  
20 taxes upon taxable real property and personal property in such  
21 redevelopment project shall thereafter be paid into the funds of and  
22 applied as all other taxes of the respective taxing bodies; and -

23           (c) Any interest and penalties due for delinquent taxes  
24 shall be paid into the funds of each such taxing body in the same  
25 proportions as are all other taxes collected by or for such taxing

1 body.

2 (2) Beginning on the effective date of this act, all  
3 notices of the provision for dividing property taxes shall be sent by  
4 the taxing body to the county assessor on forms prescribed by the  
5 Property Tax Administrator. The notice shall be sent to the county  
6 assessor on or before August 1 of the year of the effective date of  
7 the project agreement. Failure to satisfy the notice requirement of  
8 this section shall result in the taxes, for all taxable years  
9 affected by the failure to give notice of the effective date of the  
10 project agreement, remaining undivided and being paid into the funds  
11 for each taxing body receiving property taxes generated by the  
12 property in the redevelopment project. However, the redevelopment  
13 project valuation for the remaining division of property taxes in  
14 accordance with subdivisions (1)(a) and (b) of this section shall be  
15 the last certified valuation for the taxable year prior to the  
16 effective date of the project agreement to divide the taxes for the  
17 remaining portion of the fifteen-year period pursuant to subsection  
18 (1) of this section.

19 Sec. 6. Section 58-508, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21 58-508 Commencing on the effective date of the project  
22 agreement, the county assessor, or county clerk if he or she is ex  
23 officio county assessor, of the county or counties in which the  
24 redevelopment project is located, shall transmit to the contracting  
25 public body and to the county treasurer, upon request, the

1 redevelopment project valuation and shall annually certify, on or  
2 before August 20, to such contracting public body and the county  
3 treasurer the current valuation for assessment of taxable real  
4 property and personal property in the redevelopment project. The  
5 county assessor shall undertake, upon request of such contracting  
6 public body, an investigation, examination, and inspection of the  
7 taxable real property and taxable personal property in the  
8 redevelopment project and shall reaffirm or revalue the current value  
9 for assessment for such property in accordance with the findings of  
10 such investigation, examination, and inspection.

11           Sec. 7. Section 58-509, Reissue Revised Statutes of  
12 Nebraska, is amended to read:

13           58-509 (1) In each year after the determination of a  
14 redevelopment project valuation as outlined in section 58-508, the  
15 county assessor and the county board of equalization of each affected  
16 county shall include no more than the redevelopment project valuation  
17 of the taxable real property and taxable personal property in the  
18 redevelopment project in the assessed valuation upon which is  
19 computed the rates of all taxes levied by any taxing body on such  
20 project. In each year for which the current assessed valuation on  
21 taxable real property and taxable personal property in the  
22 redevelopment project exceeds the redevelopment project valuation,  
23 the county treasurer shall remit to the contracting public body,  
24 instead of to any taxing body, that proportion of all property taxes  
25 on real property and personal property paid that year on the

1 redevelopment project which such excess valuation bears to the  
2 current assessed valuation.

3 (2) If the current assessed valuation on taxable real  
4 property and taxable personal property in the redevelopment project  
5 is less than the redevelopment project valuation, the current  
6 assessed valuation shall be the value assessable to the taxing body  
7 for the current year and there will be no excess valuation or tax  
8 proceeds available to the redevelopment project. The redevelopment  
9 project valuation shall be reinstated when the current assessed  
10 valuation on taxable real property and taxable personal property in  
11 the redevelopment project is equal to or greater than the  
12 redevelopment project valuation.

13 Sec. 8. Section 58-510, Reissue Revised Statutes of  
14 Nebraska, is amended to read:

15 58-510 In the proceedings for the issuance of bonds, the  
16 making of loans or advances of money, or the incurring of any  
17 indebtedness, whether funded, refunded, assumed, or otherwise, by a  
18 contracting public body to finance or refinance, in whole or in part,  
19 a redevelopment project, the portion of taxes mentioned in  
20 subdivision ~~(2)~~(1)(b) of section 58-507 shall be pledged for the  
21 payment of the principal of, premium, if any, and interest on such  
22 bonds, loans, notes, advances, or indebtedness.

23 Sec. 9. (1) On or before December 1 of each year, each  
24 city or joint entity which has approved any project application for a  
25 redevelopment project which is financed in whole or in part through

1 the use of tax-increment financing shall provide a report to the  
2 Property Tax Administrator on each such redevelopment project which  
3 includes the following information:

4 (a) A copy of the project application, including the date  
5 upon which the application was approved, the effective date for  
6 dividing the property tax as provided in section 58-507, and the  
7 location and boundaries of the property in the redevelopment project;  
8 and

9 (b) A short narrative description of the type of  
10 development undertaken by the redevelopment project with the  
11 financing and the type of business or commercial activity locating  
12 within the redevelopment project area as a result of the  
13 redevelopment project.

14 (2) The Property Tax Administrator shall compile a report  
15 for each active redevelopment project, based upon information  
16 provided by the cities or joint entities pursuant to subsection (1)  
17 of this section and information reported by the county assessor or  
18 county clerk on the certificate of taxes levied pursuant to section  
19 77-1613.01. Each report shall be transmitted to the Clerk of the  
20 Legislature no later than March 1 of each year. The report may  
21 include any recommendations of the Property Tax Administrator as to  
22 what other information should be included in the report from the  
23 cities or joint entities so as to facilitate analysis of the uses,  
24 purposes, and effectiveness of tax-increment financing and the  
25 process for its implementation or to streamline the reporting process

1 provided for in this section to eliminate unnecessary paperwork.

2           Sec. 10. Section 58-533, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4           58-533 There shall be no area applications or project  
5 applications filed on or after February 1, ~~2000~~, 2022, without  
6 further authorization of the Legislature, except that all area  
7 applications, all project applications, and all project agreements  
8 pending, approved, or entered into before such date shall continue in  
9 full force and effect.

10           Sec. 11. Original sections 58-501, 58-503, 58-504,  
11 58-505, 58-507, 58-508, 58-509, 58-510, and 58-533, Reissue Revised  
12 Statutes of Nebraska, are repealed.