

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB39

Hearing Date: Friday February 19, 2021
Committee On: Revenue
Introducer: Lindstrom
One Liner: Change the Sports Arena Facility Financing Assistance Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Albrecht, Bostar, Briese, Flood, Friesen, Lindstrom, Linehan, Pahls
Nay:
Absent:
Present Not Voting:

Oral Testimony:

Proponents:

Senator Brett Lindstrom
Jeff LeDentt
Kevin Andersen
Josh Todd
Jeff Weak

Representing:

Introducer
Millard United Sports
City of Omaha
Omaha Sports Commission, MHA, Sports Nebraska
EMJ

Opponents:

Representing:

Neutral:

Representing:

Submitted Written Testimony:

Proponents:

Andy Pollock
Sara Kay
Bruce Bohrer

Representing:

Nebraska Travel Association
American Institute of Architects - Nebraska Chapter
Lincoln Chamber of Commerce, Nebraska Chamber of Commerce and Industry, Lincoln Convention and Visitors Bureau

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB39 proposes to add a two new definitions to an eligible sports arena facility to the Sports Arena Facility Financing

Assistance Act. The first new definition is for any sports complex which would include concession areas, parking facilities and onsite administrative offices connected with operating the sports complex. The second new definition is for a multipurpose field. A multipurpose field is defined to mean a rectangular field of grass or synthetic turf which is primarily used for competitive field sports. Competitive sports may include soccer, football, flag football, lacrosse or rugby.

The bill would repeal the occupancy requirement to receive a turn back of sales tax and replaces occupancy with project completion date. Project completion date is defined as:

- Projects involving the acquisition or construction of any eligible sports arena facility, the date of initial occupancy of the facility following the completion of such acquisition or construction; or
- For all other projects, the date of completion of the project for which state assistance is received.

To qualify for the sales tax turn back, a sports complex is a facility that includes indoor areas, outdoor areas, or both, be primarily used for competitive sports and contain at least 12 separate sports venues if located in a city of the metropolitan class; 6 separate sports venues if located in a city of the primary class; or 4 separate sports venues if located in a city of the first class, second class, village or county.

Sports venues may include, but are not limited to:

- A baseball field;
- A softball field;
- A multipurpose field;
- An outdoor stadium primarily used for competitive sports;
- An outdoor arena primarily used for competitive sports; or
- An enclosed, temperature-controlled building primarily used for competitive sports

The details required in an application for the Sports Arena Facility Financing Assistance Act, the requirement for a public hearing on the application, and the approval or denial of the application are not changed by LB39.

The bill has the Emergency Clause.

Explanation of amendments:

The amendments do the following:

- Adds a definition for "applicant", which would include a public-private partnership between a political subdivision and a non-profit organization.
- In multiple places, the amendment changes the phrase "eligible sports arena facility" to "project"
- Creates separate sections for eligible sports arena facilities that are a sports complex or are not a sports complex.
- Clarifies the exterior boundaries of a sports complex.
- Clarifies for any sports complex approved on or after the effective date of the act 30% of the state's sales tax turn back shall be transferred to the Support the Arts Cash Fund. For any other existing eligible sports arena, the 30% continues to be transferred to the Civic and Community Center Financing Fund.
- The funds transferred to the Support the Arts Cash Fund is to be used for competitive grant programs for cities of the first class that have a creative district within their boundaries. There are restrictions on the use of the grant funds and additional requirements for providing the grants. Any grant awarded must be at least equal to \$1,500,000.

The Committee voted to amend AM94 to LB39

8 Yes - Linehan, Lindstrom, Albrecht, Bostar, Briese, Flood, Friesen, Pahls

The Committee voted to amend AM95 to LB39

8 Yes - Linehan, Lindstrom, Albrecht, Bostar, Briese, Flood, Friesen, Pahls

The Committee voted to amend AM552 to LB39

8 Yes - Linehan, Lindstrom, Albrecht, Bostar, Briese, Flood, Friesen, Pahls

On March 9, 2021, a hearing on AM373 to LB39 was held at 1:30 PM in Room 1524

In-Person Testimony

Proponents:

- Senator Mike Flood, Introducer
- Suzanne Wise, ARB Council, Agency 69
- Steve Barth, Kearney Cultural Partners

Opponents:

- Crystal Dunekacke, Nebraska Economic Development Association

Neutral:

- Lynn Rex, League of Nebraska Municipalities

Written Testimony

-NONE-

Lou Ann Linehan, Chairperson