

One Hundred Ninth Legislature - Second Session - 2026

Introducer's Statement of Intent

LB1168

Chairperson: Senator Terrell McKinney

Committee: Urban Affairs

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

The intent of LB1168 is to amend the Community Development Act to authorize community development agencies and community redevelopment agencies (authorities) seeking to utilize tax increment financing the option to (1) issue conduit revenue bonds on behalf of a private investor under which the authority's liability for repayment is limited to the ad valorem taxes actually generated by the project area; (2) to negotiate with that private investor the percentage of ad valorem taxes pledged toward bond repayment; (3) to require that any percentage of ad valorem taxes not pledged toward bond repayment be disbursed by the County Treasurer in accordance with the levy applicable to the project area; and (4) to enter into taxpayer agreements with owners of land in the project area (often the developer) under which the landowner(s) would agree that any shortfall between the amount necessary to meet the conduit bond borrower's annual obligations to the bond lender and the amount of pledged ad valorem taxes generated by the project area would become the obligation of the taxpayer(s) owning the land, such obligation to run with the land and to be treated and prioritized as a tax lien on the land, enforceable under section 77-203. The intent of a taxpayer agreement is to serve as a guarantee of bond obligations in addition to the ad valorem taxes pledged by the authority.

Principal Introducer: _____

Senator Dave Wordekemper