

SENATOR CROSBY: You have about three and a half minutes.

SPEAKER WITHEM: About three and a half minutes. Let me get specifically into LB 830. And I don't know, Senator Hartnett, if this...this piece of paper that's come from your office has been distributed or not, but it's a good description of tax increment financing, and I hope some other people that have had some experience with tax increment financing might speak to this. But what this bill does, specifically LB 830 does, it extends the use of tax increment financing, only for projects that invest \$50 million and create 500 new jobs, and only with the approval of the board referenced by Senator Warner, of the Governor, the State Treasurer and the Director of the Investment Board, they will be able to use an extended...extended use of tax increment financing. Currently, the tax increment financing provisions of our state statutes are limited to projects within city limits. For these projects and these projects only, if a city does meet the tax increment financing provisions of having blighted and substandard property, they will be able to declare an area on their outskirts within ten miles of that city to...as eligible for tax increment financing. Once that is done, the way tax increment financing operates is that the owner of the property will continue to pay property taxes for 15 years on the undeveloped value of that property, but any increases in valuation brought about through capital construction will be used to pay off bonds. The city will be able to issue those bonds and be able to use the money from those bonds for site improvements and for site acquisition. That's very roughly how the tax increment financing bill works and that's what this bill would do. It would allow, on these large projects, and, again, I'm going to keep coming back to this a lot, but I do not believe would take place under any circumstances in our state without this type of measure, it will allow the city to issue bonds and apply the tax increment financing for site acquisition and site development...

SENATOR CROSBY: One minute.

SPEAKER WITHEM: ...in areas within ten miles. The reason for this is that the type of property needed, the size of property needed for these projects really is not available within the areas of these communities. Without getting into the specifics of what this project needs, it is not uncommon for several hundred acres to be needed for the development of one of these types of projects. With that, if you have questions, I'll try