TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

May 9, 2005

LB 312

a seven years of attainment, up to ten years to get those seven years of attainment, and it sunsets January 1, 2011, or in five years. It's a new idea. We're going to sunset the new ideas in the bill so that we can see what their impact is fiscally. current principal of \$10 million of new investment and 100 jobs stays the same, same qualifying businesses as I just read. get a refund of all sales tax, you get a sliding job scale, you get a 10 percent investment credit, and you get a personal property tax exemption for aircraft or mainframe computers, depreciable property, and ag processing machinery. Seven years of entitlement, a new fee of \$2,500, not \$500. You get 15 years to get your 7 years of entitlements, and it is not sunsetted. And lastly, a new tier, in that it significantly alters our investment-only. Our current investment-only is \$20 million of investment and no new jobs. This says \$30 million. Qualifying companies, the same as I just read, they get a refund of all Qualifying sales tax on project purchases. They get seven years of entitlement for that. They pay \$5,000 for this application fee. And those are the relevant factors. Those are the new tax incentive tiers. Two of them remain very much like what they are now--the 3 and 30, and the 10 and 100. But they're shortened from 22 years down to 15 years, in the amount of time that the entitlements get. And they get to use the tax withholding mechanism to make sure that they're as up-front as possible. Three new opportunities -- a lower tier, limited in who can use it, \$1 million and 10 jobs, 30 jobs and no investment, or \$30 million of investment and no jobs. Those pieces...two of those pieces are sunsetted for five years. One of them One of them replicates what we have now, but it ups the ante by 50 percent. raises from \$20 million to \$30 million the amount of We ask significant commitment from companies. We investment. tailor what they get in return. We will disclose what they get return. And our director of Economic Development says this constitutes a shot in the arm for our ability to persuade companies to come here, or, for those companies who are here, to expand in this state rather than to use a sister facility. Thank you.

SENATOR SCHIMEK PRESIDING

SENATOR SCHIMEK: Thank you, Senator Landis. You've heard the