

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

May 24, 2005

LB 557

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Beutler, to open on LB 557.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, this bill makes a change in that part of the lodging tax law that has to do with County Visitor Improvement Funds. You may recall that Senator Loudon, through a lot of hard work a couple of years ago, in fact we worked on it together a little bit, got the Visitors Improvement Fund in place for all counties in the state. Douglas County had it and, through Senator Loudon's initiative, all counties in the state can now have access or can use, can levy a 2 percent lodging tax for the purposes of expanding and improving facilities and existing visitor attractions and for construction of new attractions. What the main change that the bill makes is that it would allow a county, if it so chose, it provides flexibility to the county to put some or a part of or all of, for that matter, that improvement fund money into one or two larger projects and then it allows for bonds to be issued, not exceeding 20 years, and to pay those bonds you can pledge the proceeds of the lodging tax from the improvement fund. So it is designed...there is additional language in here about bonding, but these bonds would not be...would not be general obligation bonds of the counties, but to be solely secured by the pledge of the revenues from the lodging tax. And this is to provide flexibility so that some counties, such as Lancaster County, for example, is thinking in terms of at least one larger project that they can do under this...under these particular provisions, and this bonding provision would be extremely helpful in terms of facilitating that larger project. The amendment was unopposed in...the bill was unopposed in committee. It was brought to me by our local chamber of commerce. It's supported by the Nebraska Travel Association and the Nebraska Association of Visitors...Conventions and Visitors. The committee put one very large limiting provision onto the bill, and I'll let Senator Landis explain that committee amendment which contains the limitation. Thank you.

SENATOR CUDABACK: Thank you, Senator Beutler. You've heard the opening on LB 557. There are committee amendments, as stated.