



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 359

Chairperson: Ray Janssen
Committee: Revenue
Date of Hearing: January 24, 2007

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

LB 359 adds an exception to the requirement in Section 39-2520 that revenue from the local option municipal sales taxes levied on motor vehicles be expended by the municipality exclusively for road and street purposes. The exception would be allowed where the registered voters have approved an economic development program under the Local Option Municipal Economic Development Act, commonly referred to as LB 840, and approved the use of some or all of the sales and use taxes for the economic development program.

Municipalities that take advantage of the exception will continue to use local sources of revenue for street purposes as required by state law to match State Highway Allocation Funds. LB 359 will preserve the voters' intent that sales tax proceeds be used for the approved economic development program.

Principal Introducer: _____
Senator Dave Pankonin