



Hundredth Legislature - First Session - 2007  
**Introducer's Statement of Intent**  
**LB 551**

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**Chairperson:** Ray Janssen  
**Committee:** Revenue  
**Date of Hearing:** February 15, 2007

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

In 1999 the Legislature passed LB 382 to incent the construction of facilities to generate new economic activity as well as additional state and local taxes, and to create new economic opportunities for residents. The bill allowed a political subdivision that constructed a facility to apply to the state to allow the state to pay back to the political subdivision taxes that would not have been collected but for the economic activity generated by the facility.

Because of the disruptions in convention activity following September 11, 2001, and because of restrictive interpretations of the language of LB 382, less than 30% of the anticipated income became available to the City of Omaha, which bonded for the construction of the Qwest Center, and for the fund available to communities other than Omaha.

It is the intent of LB 551 to provide a formula that more accurately reflects the actual additional state taxes generated by the facility. The bill would provide that sales tax collected by retailers doing business at the convention center, arena, or hotel facility serving the complex would be certified to the State Treasurer, with seventy percent transferred to the Convention Center Support Fund toward retirement of the original bond, and thirty percent transferred to the Local Civic, Cultural, and Convention Center Financing Fund for use by cities other than Omaha.

**Principal Introducer:** \_\_\_\_\_  
**Senator Mike Flood**