

AMENDMENTS TO LB 1071

Introduced by Cornett

1 1. Strike the original sections and insert the following
2 new sections:

3 Section 1. Sections 1 to 19 of this act shall be known
4 and may be cited as the Envision Nebraska Act.

5 Sec. 2. The Legislature finds and declares that:

6 (1) The State of Nebraska and its cities and villages
7 are losing taxable sales to neighboring states because of the
8 commercial, entertainment, tourism, and retail opportunities
9 available in such states;

10 (2) The loss of taxable sales to neighboring states
11 impairs the ability of this state to retain and create jobs and
12 reduces the amount of revenue available to fund infrastructure and
13 provide important public services to the citizens of this state;

14 (3) Underdeveloped, underutilized, deteriorated,
15 substandard, and outdated commercial and retail properties and
16 areas exist throughout the cities and villages of this state. These
17 properties and areas include defectively designed and arranged
18 buildings, outdated and exhausted buildings and related facilities,
19 faulty street and lot layouts, and economically undesirable land
20 uses. Such conditions result in areas of economic liabilities
21 detrimental to the economic well-being of the entire community in
22 which they exist, decrease the tax base, reduce tax revenue, and
23 substantially impair the long-term growth of cities and villages.

1 Allowing property to remain underdeveloped and underutilized
2 impedes job creation, inhibits economic development, and prevents
3 growth of the property, sales, and income tax bases that fund
4 infrastructure, education, and other public services;

5 (4) Failure to redevelop outdated commercial and
6 retail properties throughout this state will result in further
7 deterioration of once vibrant areas, causing blight, sprawl, job
8 loss, erosion of the tax base, reduction in tax revenue, and
9 substandard infrastructure;

10 (5) Communities that fail to redevelop outdated
11 commercial and retail properties have a difficult time attracting
12 and retaining new residents and businesses which are vital
13 to growing the economy and providing opportunities for future
14 generations;

15 (6) Revitalizing and redeveloping commercial and retail
16 properties will attract people from outside the state to shop,
17 dine, conduct business, visit tourist attractions, and discover the
18 State of Nebraska;

19 (7) Revitalizing and redeveloping commercial and retail
20 properties creates jobs that will result in economic growth that
21 benefits the State of Nebraska and its communities;

22 (8) Modernized commercial and retail properties can
23 incorporate design features to reduce energy consumption that
24 will result in cost savings and will help protect the natural
25 environment;

26 (9) It is a matter of public policy and in the public
27 interest to encourage tourism and facilitate job growth, economic

1 development, infrastructure improvement, and retail and commercial
2 revitalization;

3 (10) It is the purpose of the Envision Nebraska Act to:
4 Promote, stimulate, and develop the general and economic welfare
5 of this state and its communities; assist in the development
6 and redevelopment of eligible areas within this state and its
7 cities and villages by authorizing cities and villages to establish
8 envision districts to support the issuance of sales tax revenue
9 bonds for the financing of envision projects; and allow designated
10 portions of newly created sales tax revenue in such districts to be
11 reinvested in such districts to refund bonds, retire bonds, improve
12 infrastructure, and further the purposes of the act; and

13 (11) It is further found and declared that the powers
14 conferred by the act are for a public purpose and public use for
15 which public money may be expended. The necessity in the public
16 interest for the act is hereby declared as a matter of legislative
17 determination.

18 Sec. 3. For purposes of the Envision Nebraska Act:

19 (1) Base year means the fiscal year ending during the
20 calendar year in which the board approves the application for state
21 assistance under section 10 of this act;

22 (2) Board means a board consisting of the Governor,
23 the State Treasurer, the chairperson of the Nebraska Investment
24 Council, the chairperson of the Nebraska State Board of Public
25 Accountancy, and a professor of economics on the faculty of
26 a postsecondary educational institution located in this state.
27 For administrative and budget purposes only, the board shall be

1 considered part of the Department of Revenue;

2 (3) Bond means any bond, including a general obligation
3 bond, redevelopment bond, lease-purchase bond, revenue bond,
4 refunding bond, special obligation bond, note, interim certificate,
5 debenture, bond anticipation note, other evidence of financial
6 indebtedness, or other obligation issued pursuant to the act or any
7 combination of such bonds;

8 (4) City means any city of the metropolitan, primary,
9 first, or second class or village of this state;

10 (5) City increment means the amount of an envision
11 district's city sales tax receipts that is in excess of the amount
12 of that district's city sales tax receipts for the same month in
13 the base year, as calculated by the Tax Commissioner pursuant to
14 the act;

15 (6) City sales tax means the tax imposed pursuant to the
16 Local Option Revenue Act;

17 (7) City sales tax revenue means the amount of revenue
18 derived from the city sales tax;

19 (8) Eligible city means a city meeting the requirements
20 of section 4 of this act;

21 (9) End user means a retail establishment or
22 commercial, service, business, manufacturing, restaurant, tourist,
23 entertainment, lodging, residential housing, or other enterprise
24 located within an envision district that leases, owns, or occupies
25 a facility developed as part of an envision project;

26 (10) Envision district means an area within an eligible
27 city designated as an envision district pursuant to the act;

1 (11) Envision project means any land, building, or other
2 improvement, any real or personal property, any equipment, or
3 any fixture and any undivided or other interest in any of the
4 foregoing, whether or not in existence, suitable or used for or in
5 connection with any of the following revenue-producing enterprises
6 or two or more such enterprises engaged or to be engaged in
7 commercial, retail, service, manufacturing, business, residential
8 housing, hotel, motel, or other enterprise, and facilities incident
9 to the development of sites for such enterprise;

10 (12) Finance agreement means any contractual obligation
11 between a city and one or more persons with respect to an envision
12 project which includes, but is not limited to, refinancing of
13 an envision project or a lease agreement, loan agreement, sale
14 contract, or user agreement;

15 (13) Governing body means the body in which the general
16 legislative powers of the city are vested;

17 (14) Master developer means the person who submits and
18 receives approval from the governing body for the first envision
19 project application within an envision district;

20 (15) Master plan means a comprehensive long-term plan for
21 development within an envision district;

22 (16) Person means any individual, firm, partnership,
23 corporation, company, association, joint-stock association, limited
24 liability company, or subchapter S corporation and includes any
25 trustee, receiver, assignee, or similar representative;

26 (17) Principally means more than fifty percent calculated
27 either by the number of end users or on gross useable area within

1 the envision project;

2 (18) Report means an estimate, study, or report
3 prepared by an economist, financial analyst, actuary, or similar
4 professional;

5 (19) Residential housing means a specific work or
6 improvement within an envision district undertaken primarily to
7 provide single-family or multi-family dwelling accommodations.
8 Residential housing includes the acquisition, construction,
9 reconstruction, or rehabilitation of land, buildings, and
10 improvements thereto and such other nonhousing facilities as may be
11 incidental or appurtenant thereto;

12 (20) Retail establishment means a business operated by a
13 retailer;

14 (21) Retailer has the same meaning as in section
15 77-2701.32;

16 (22) Seller has the same meaning as in section
17 77-2701.36;

18 (23) State increment means the amount of an envision
19 district's state sales tax receipts that is in excess of the amount
20 of that district's state sales tax receipts for the same month in
21 the base year, as calculated by the Tax Commissioner pursuant to
22 the act; and

23 (24) State sales tax means a tax imposed by and collected
24 under sections 77-2701 to 77-2713.

25 Sec. 4. A city shall be deemed an eligible city if it
26 satisfies all of the following requirements:

27 (1) An area suitable for redevelopment exists wholly

1 within the boundaries of the city. An area is suitable for
2 redevelopment if it:

3 (a) Is located in a city of the metropolitan class and
4 consists of one hundred or more contiguous acres of land that are
5 entirely within the boundaries of the city; is located in a city
6 of the primary class and consists of X or more contiguous acres
7 of land that are entirely within the boundaries of the city; or
8 is located in a city of the first or second class or village and
9 consists of X or more contiguous acres of land that are entirely
10 within the boundaries of the city. An area of contiguous acres of
11 land may be bisected by waterways, transportation infrastructure,
12 or other natural or humanmade features and still be considered
13 contiguous;

14 (b) Consists of parcels of real property that the
15 governing body determines to be strategically located within the
16 city and will be directly and substantially benefited by the
17 establishment of an envision district and the implementation of an
18 envision project; and

19 (c) Consists of buildings, infrastructure, and
20 improvements that are dilapidated, deteriorated, aged, or obsolete
21 that will be directly and substantially benefited by the
22 establishment of an envision district and the implementation of an
23 envision project; and

24 (2) The city imposes a sales and use tax pursuant to the
25 Local Option Revenue Act.

26 Sec. 5. (1) The governing body of an eligible city may by
27 ordinance establish an envision district for purposes of financing

1 envision projects within such district pursuant to the Envision
2 Nebraska Act.

3 (2) Any person, including a city or agency,
4 instrumentality, or department of a city, may submit an
5 envision district application to the governing body for its prompt
6 consideration. The envision district application shall:

7 (a) State the exact name of the person or persons
8 submitting the envision district application;

9 (b) Provide a legal description of the boundaries of the
10 area proposed to be designated as an envision district;

11 (c) Demonstrate that the proposed envision district
12 satisfies the size requirements set forth in the act;

13 (d) Include the master plan for the envision district as
14 determined by the city in consultation with the master developer;
15 and

16 (e) Include a request that the envision district be
17 considered for approval and creation.

18 (3) Any person, including a city or agency,
19 instrumentality, or department of a city, may submit an
20 envision project application to the governing body for its prompt
21 consideration. The envision project application shall:

22 (a) State the exact name of the person or persons
23 who will be involved in the envision project proposed in the
24 application;

25 (b) Provide a legal description of the envision district
26 for which the envision project is proposed;

27 (c) Provide a legal description of the boundaries of the

1 area encompassing the envision project;

2 (d) Include a minimum capital investment in the proposed
3 envision project by the applicant of: (i) One hundred million
4 dollars if the project is proposed for a city of the metropolitan
5 class; (ii) X dollars if the project is proposed for a city of the
6 primary class; and (iii) X dollars if the project is proposed for a
7 city of the first or second class or village;

8 (e) Include a minimum investment in next-generation
9 technology infrastructure and facilities within the envision
10 district in an amount that is the lesser of: (i) Twenty million
11 dollars or five percent of the total project costs if the project
12 is proposed for a city of the metropolitan class; (ii) X dollars or
13 X percent of the total project costs if the project is proposed for
14 a city of the primary class; and (iii) X dollars or X percent of
15 the total project costs if the project is proposed for a city of
16 the first or second class or village;

17 (f) Demonstrate that the total development costs of the
18 proposed envision project exceed: (i) Two hundred million dollars
19 if the project is proposed for a city of the metropolitan class;
20 (ii) X dollars if the project is proposed for a city of the primary
21 class; and (iii) X dollars for a city of the first or second class
22 or village;

23 (g) Include a report demonstrating that the envision
24 project may directly or indirectly result in the creation in the
25 city of: (i) One thousand new jobs if the project is proposed for a
26 city of the metropolitan class; (ii) X new jobs if the project is
27 proposed for a city of the primary class; and (iii) X new jobs if

1 the project is proposed for a city of the first or second class or
2 village;

3 (h) If the project is principally comprised of retail,
4 include a report demonstrating that, upon completion of the
5 envision project, at least: (i) Thirty-five percent of sales
6 within the envision district may be made to persons residing
7 outside the city limits if the project is proposed for a city of
8 the metropolitan class; and (ii) fifty percent of sales within the
9 envision district may be made to persons residing outside the city
10 limits if the project is proposed for a city of the primary, first,
11 or second class or village;

12 (i) Demonstrate that, upon initial completion of the
13 envision project, at least fifty percent of the end users of the
14 project may be new to the state, calculated either by the number of
15 end users or on gross usable area within the envision project;

16 (j) Include a binding commitment by the master developer
17 to actively promote the envision district by spending annually an
18 amount of: (i) One million five hundred thousand dollars if the
19 project is proposed for a city of the metropolitan class; (ii) X
20 dollars if the project is proposed for a city of the primary class;
21 and (iii) X dollars if the project is proposed for a city of the
22 first or second class or village;

23 (k) Provide a detailed narrative description of the
24 proposed envision project;

25 (l) Demonstrate that the envision project is in
26 accordance with the master plan for the envision district and
27 that it reasonably meets the goals and intentions of the Envision

1 Nebraska Act; and

2 (m) A request that the project be considered for
3 approval.

4 (4) If an applicant has previously applied and been
5 approved for an envision project within an envision district,
6 then such applicant's subsequent project or projects within such
7 envision district shall be considered adjunct to the initial
8 project and such projects shall be aggregated for purposes
9 of determining whether the conditions of this subsection are
10 satisfied.

11 (5) An envision project application may also include a
12 draft of the applicant's proposed finance agreement with the city
13 requesting the city to issue bonds pursuant to the act.

14 (6) An envision district application and envision project
15 application may be submitted simultaneously or separately.

16 (7) Upon submission of an envision district application
17 or envision project application, the governing body of an eligible
18 city shall hold a public hearing on such application after
19 reasonable public notice thereof by publication at least once
20 each week for two consecutive weeks in a legal newspaper of general
21 circulation in the city. The hearing shall be held at least ten
22 days after the last such publication. The notice shall describe
23 the time, date, place, and purpose of the hearing and shall
24 specifically identify the area for which an envision district or
25 envision project has been proposed. All interested parties shall
26 have a reasonable opportunity to express their views at the hearing
27 with respect to the envision district or envision project. A

1 person simultaneously submitting an envision district application
2 and envision project application may request that separate hearings
3 be held on the establishment of the envision district and the
4 envision project. If a request for separate hearings is made, this
5 subsection shall apply to each separate hearing.

6 (8) (a) After the hearing or hearings described in
7 subsection (7) of this section, the governing body may, as
8 applicable, adopt a resolution finding that an area suitable for
9 development or redevelopment exists within the city, stating the
10 governing body's intent to create an envision district, establish
11 an envision district, approve an application for an envision
12 project in an envision district, and authorize the city to enter
13 into finance agreements.

14 (b) If the governing body adopts a resolution creating an
15 envision district, the resolution shall provide a legal description
16 of the real property forming the boundaries of the envision
17 district. A map depicting the boundaries of the district shall be
18 included with the legal description.

19 (c) If the governing body adopts a resolution approving
20 an application for an envision project, the resolution shall
21 include a description of the envision project.

22 (9) Upon adoption of a resolution creating an envision
23 district, the governing body of the city shall adopt an ordinance
24 creating the envision district and notify the Tax Commissioner of
25 the establishment of the district. Upon adoption of a resolution
26 approving an application for an envision project, the governing
27 body of the city shall notify the Tax Commissioner of such

1 approval.

2 (10) A city may amend the resolution and ordinance
3 establishing the envision district to add additional envision
4 projects within the district.

5 Sec. 6. (1) After the adoption of a resolution approving
6 an envision project, an eligible city shall enter into a finance
7 agreement with the applicant.

8 (2) In the finance agreement, the applicant shall agree
9 to complete the envision project and to use commercially reasonable
10 efforts to generate the designated economic gains upon an approved
11 schedule. In consideration of the applicant's finance agreement,
12 the city shall agree to the provisions relating to incurring
13 indebtedness as provided for in the Envision Nebraska Act. The
14 finance agreement shall specifically provide for the amount of
15 the city increment, city sales tax revenue, or a combination
16 thereof that may be pledged to pay the principal, interest,
17 and other costs of bonds issued to finance or partially finance
18 the envision project. The finance agreement shall also contain
19 provisions relating to the use of amounts deposited or to be
20 deposited in the city's Envision Fund, including state assistance,
21 that may be pledged to pay the principal, interest, and other
22 costs of bonds issued to finance or partially finance the envision
23 project. The city shall not incur indebtedness under the finance
24 agreement except for the purposes of financing costs associated
25 with the envision project. The finance agreement shall contain such
26 other terms as the city and applicant determine are appropriate or
27 necessary and may contain terms for a remedy if the applicant fails

1 to attain the required levels of investment and designated economic
2 gains within the time period specified in the act.

3 (3) A city may require any applicant entering into a
4 finance agreement for an envision project to obtain a surety bond
5 before commencing work.

6 Sec. 7. Any city or its governing body that has (1)
7 approved a special obligation bond issue to finance or partially
8 finance an envision project, (2) adopted a resolution authorizing
9 the city or its governing body to pursue a special obligation
10 bond issue to finance or partially finance the undertaking of
11 any envision project, or (3) established an envision district and
12 approved an envision project may apply to the board for state
13 assistance. The state assistance may be used to secure or fund
14 the repayment of amounts expended or borrowed through one or more
15 series of bonds issued or to be issued by the city to finance or
16 refinance an envision project.

17 Sec. 8. (1) All applications for state assistance under
18 the Envision Nebraska Act shall be in writing and shall include
19 a certified copy of the approving action of the governing body
20 describing the envision district, a description of the envision
21 project, and an executed letter of intent outlining the anticipated
22 terms and conditions of the finance agreement relating to the
23 envision project.

24 (2) The application shall contain:

25 (a) A description of the proposed financing of the
26 envision project, including the estimated principal and interest
27 requirements for the bonds proposed to be issued in connection with

1 the envision project or the amounts necessary to repay the original
2 investment by the applicant in the envision project;

3 (b) Documentation of local financial commitments to
4 support the envision project, including all public and private
5 resources pledged or committed to the envision project; and

6 (c) Any other project information deemed appropriate by
7 the board.

8 (3) Upon receiving an application for state assistance,
9 the board shall review the application and notify the applicant of
10 any additional information needed for a proper evaluation of the
11 application.

12 (4) Any state assistance received pursuant to the act
13 shall be used only for the purposes set forth in the act.

14 Sec. 9. (1) After reviewing an application submitted
15 pursuant to the Envision Nebraska Act and upon reasonable notice
16 to the applicant, the board shall hold a public hearing on the
17 application.

18 (2) The board shall give notice of the time, place, and
19 purpose of the public hearing by publication three times in a
20 newspaper of statewide circulation. Such publication shall be not
21 less than ten days prior to the hearing. The notice shall describe
22 generally the envision project and envision district for which
23 state assistance has been requested. The applicant shall pay the
24 cost of the notice.

25 (3) At the public hearing, a representative of the
26 applicant and any other interested persons may appear and present
27 evidence and argument in support of or in opposition to the

1 application or may present neutral testimony. The board may seek
2 expert testimony and may require testimony of persons whom the
3 board desires to comment on the application. The board may provide
4 for the acceptance of additional evidence after the conclusion of
5 the public hearing.

6 Sec. 10. (1) After consideration of the application and
7 the evidence, the board shall issue a finding of whether the
8 envison project described in the application qualifies for state
9 assistance.

10 (2) If the board finds that the envison project
11 qualifies and that state assistance is beneficial to the state, the
12 application shall be approved.

13 (3) In determining whether state assistance is beneficial
14 to the state, the board shall consider the projected fiscal and
15 economic impact of the envison project, including whether the
16 project will generate the designated economic gains required by the
17 Envison Nebraska Act.

18 (4) A majority of the board members constitutes a quorum
19 for the purpose of conducting business. All actions of the board
20 shall be by a majority vote.

21 Sec. 11. (1) Upon the adoption of a resolution approving
22 an envison district, an eligible city shall establish a special
23 fund created for purposes of carrying out the Envison Nebraska
24 Act. Such fund shall be designated as the city's Envison Fund.

25 (2) Upon notification of the establishment of an envison
26 district, the Tax Commissioner shall identify all city sales tax
27 revenue attributable to or derived from transactions subject to tax

1 under sections 77-2703 and 77-27,142 within the envision district
2 for the base year and then notify the eligible city of the amount
3 of such city sales tax revenue.

4 (3) If an eligible city has agreed in a finance agreement
5 to issue bonds and to pledge the city increment, city sales
6 tax revenue, or a combination thereof in connection with the
7 issuance of bonds, each month the Tax Commissioner shall certify
8 and the State Treasurer shall transfer to the city, for deposit
9 in the city's Envision Fund, the city increment and city sales
10 tax revenue, as applicable, attributable to or derived from
11 transactions subject to tax under sections 77-2703 and 77-27,142
12 within the envision district. The amount transferred shall be in
13 accordance with the Tax Commissioner's determination pursuant to
14 the act. A city may deposit in its Envision Fund any other sales
15 tax, property tax, other revenue, or any other money lawfully at
16 the disposal of the city. The Tax Commissioner shall keep full and
17 accurate records of all money received and distributed.

18 (4) Amounts deposited in the city's Envision Fund shall
19 be used as follows:

20 (a) First, to fund and finance each envision project
21 within the envision district in accordance with each applicable
22 finance agreement. This funding and financing includes, but is not
23 limited to, securing and paying principal and interest on bonds
24 issued pursuant to the Envision Nebraska Act; and

25 (b) Second, if, at any time during the period that is
26 twenty-five years after the date of issuance of bonds pursuant to
27 a finance agreement for an envision project, the city increment or

1 city sales tax revenue attributable to or derived from transactions
2 subject to tax under sections 77-2703 and 77-27,142 within the
3 envision district in which the envision project is located, as
4 applicable, exceeds the amount required to satisfy the obligations
5 of the parties to the finance agreement, such excess shall be
6 retained by the city's Envision Fund and shall be used to finance
7 economic development projects within the envision district in
8 accordance with subsection (5) of this section. The eligible city
9 shall keep full and accurate records of all money received and
10 distributed by the city's Envision Fund.

11 (5) Each eligible city shall establish an Envision
12 Fund committee. The mayor of an eligible city shall appoint,
13 in consultation with the master developer and upon approval of
14 the governing body, members to the Envision Fund committee as
15 follows: (a) Three representatives of the eligible city; (b)
16 if an envision project results in transferring to the city's
17 Envision Fund an amount referred to in subdivision (4)(b) of this
18 section, the master developer; (c) one person representing any
19 business that pays or collects city sales tax revenue within the
20 envision district in which the envision project is located; (d)
21 an individual representing the chamber of commerce of the eligible
22 city; and (e) one real property owner whose property is located in
23 the envision district in which the envision project is located. The
24 committee shall meet as needed and review and approve the financing
25 applications for other envision projects within the applicable
26 envision district if such projects meet the requirements of the
27 Envision Nebraska Act and have been approved by the governing body

1 in accordance with the act.

2 (6) Upon the monthly certification under section 15 of
3 this act, the State Treasurer shall transfer to the city's Envision
4 Fund ninety percent of the state increment collected from within
5 the envision district described in the application on sales in
6 such envision district. State assistance shall not be used for
7 an operating subsidy or other ancillary facility. The amount of
8 such appropriation allocated to an eligible city shall be used
9 in accordance with subsection (4) of this section. Five percent
10 of the state increment collected from the envision district shall
11 be transferred to the Destination Nebraska Tourism Fund and five
12 percent of the state increment shall be transferred to the state's
13 General Fund.

14 (7) State assistance to the city shall no longer
15 be available twenty-five years after the date of substantial
16 completion of the initial envision project within the envision
17 district.

18 (8) The Destination Nebraska Tourism Fund is created. The
19 Legislature shall appropriate funds from the Destination Nebraska
20 Tourism Fund for the purpose of (a) attracting regional, national,
21 and international programs and events, (b) assisting in the
22 development of facilities that will eliminate the need for Nebraska
23 residents to travel outside the state to visit similar facilities,
24 and (c) attracting regional, national, and international travelers
25 to this state. Any money in the fund available for investment
26 shall be invested by the state investment officer pursuant to
27 the Nebraska Capital Expansion Act and the Nebraska State Funds

1 Investment Act.

2 Sec. 12. (1) An eligible city shall have the power to
3 issue bonds in one or more series to finance the undertaking and
4 otherwise fund the construction and development of an approved
5 envison project and any and all costs and expenses arising from
6 or attributable to such project in accordance with the finance
7 agreement with the city. Such bonds shall have a maturity of more
8 than twenty-five years after the date they are issued. An eligible
9 city may also issue refunding bonds for the purpose of paying,
10 retiring, or otherwise refinancing or in exchange for any or all
11 of the principal or interest upon bonds previously issued by such
12 city. Such bonds or refunding bonds shall be made payable both as
13 to principal and interest:

14 (a) From revenue deposited or to be deposited in the
15 city's Envison Fund;

16 (b) From an irrevocable pledge of an amount attributable
17 to city sales tax revenue attributable to or derived from
18 transactions subject to tax under sections 77-2703 and 77-27,142
19 within an envison district. The amount of city sales tax revenue
20 pledged irrevocably to the payment of the bonds may be:

21 (i) The amount of city sales tax revenue attributable to
22 or derived from transactions subject to tax under sections 77-2703
23 and 77-27,142 in the base year;

24 (ii) The city increment; or

25 (iii) Both the amount of city sales tax revenue
26 attributable to or derived from transactions subject to tax under
27 sections 77-2703 and 77-27,142 in the base year and the city

1 increment;

2 (c) From any private sources, contributions, or other
3 financial assistance from the state, city, county, or federal
4 government;

5 (d) From amounts received or to be received as state
6 assistance;

7 (e) From an irrevocable pledge of the state increment
8 attributable to or derived from transactions subject to tax under
9 section 77-2703 within the envision district described in the
10 application;

11 (f) From any other lawful source; or

12 (g) From any combination of subdivisions (1)(a) through
13 (f) of this section.

14 (2) The city may pledge the revenue and amounts
15 referred to in subdivisions (1)(a) through (g) of this section
16 to the repayment of such bonds prior to, simultaneously with, or
17 subsequent to the issuance of such bonds.

18 (3) Any pledge of revenue, income, receipts, proceeds,
19 or other money made by an eligible city for the payment of bonds
20 or notes shall be valid and binding from the time such pledge
21 is made. A pledge of the revenue deposited or to be deposited in
22 the city's Envision Fund including, but not limited to, a pledge
23 of the state increment is not binding unless the application is
24 approved by the board pursuant to the Envision Nebraska Act. The
25 revenue, income, receipts, proceeds, and other money so pledged
26 and thereafter received by the eligible city shall immediately be
27 subject to the lien of such pledge without physical delivery or

1 further action, and the lien of any such pledge shall be valid
2 and binding as against all parties having claims of any kind in
3 tort, contract, or otherwise against the eligible city regardless
4 of whether such parties have actual notice. Neither the resolution,
5 ordinance, nor any other instrument by which a pledge is created
6 shall be required to be recorded.

7 (4) An eligible city may borrow money and issue from time
8 to time its bonds in such principal amounts as the city determines
9 necessary to provide sufficient funds to carry out the purposes of
10 the act, which include, but are not limited to:

11 (a) The payment of interest on bonds issued under the
12 act;

13 (b) The establishment of reserves to secure the bonds
14 in an amount not to exceed XX percent of the aggregate principal
15 amount of the particular issue of bonds;

16 (c) The funding of the Envision repository established
17 pursuant to section 13 of this act; and

18 (d) All other expenditures of the city incident to and
19 necessary and convenient to carry out its purposes and powers.

20 (5) Unless specifically allowed in the finance agreement
21 entered into under the Envision Nebraska Act, bonds issued pursuant
22 to this section shall not constitute an indebtedness within the
23 meaning of any constitutional or statutory debt limitation or
24 restriction, and, except as otherwise provided in this section,
25 shall not be subject to the provisions of any other law, charter,
26 or ordinance relating to the authorization, issuance, or sale of
27 bonds.

1 (6) Unless specifically allowed in the finance agreement
2 entered into under the act, bonds issued under this section shall
3 not be general obligations of the eligible city or state, nor
4 shall they give rise to a charge against the city's or state's
5 general credit or taxing powers or be payable out of any funds
6 or properties other than those set forth in the act and such
7 bonds shall state such information on their face. Nothing in the
8 act shall prevent an eligible city from directing city sales tax
9 revenue to an envision project or bonds issued under the act to the
10 extent otherwise permitted by law.

11 (7) Bonds, including refunding bonds, issued pursuant to
12 the act are declared to be issued for an essential public and
13 governmental purpose and, together with interest thereon and income
14 therefrom, shall be exempt from all state income taxes.

15 (8) Bonds shall be authorized by resolution of the
16 governing body, may be issued in one or more series, and shall
17 comply with all of the following:

18 (a) The bonds shall bear the date of issuance;

19 (b) The bonds shall specify one of the following:

20 (i) Whether they are payable on demand; or

21 (ii) The time of maturity;

22 (c) The bonds shall bear interest at a rate not exceeding
23 XX percent; and

24 (d) The bonds shall be in a denomination or
25 denominations, be in the form, carry such conversion or
26 registration privileges, have the rank or priority, be executed
27 in the manner, be payable in the medium of payment, at the

1 place or places, be subject to the terms of redemption, with or
2 without premium, be secured in the manner, and have the other
3 characteristics as may be provided by the resolution authorizing
4 their issuance, their trust indenture, or mortgage may provide.

5 (9) An eligible city may issue bond anticipation notes
6 and may issue renewal notes. Such notes shall not mature later
7 than thirty-six months after the date of incurring the indebtedness
8 represented in an amount not exceeding the aggregate at any time
9 outstanding the amount of bonds then or before authorized. Payment
10 of such notes shall be made from any revenue which the city may
11 have available for such purpose or from the proceeds of the sale
12 of bonds of the city, or such notes may be exchanged for a like
13 amount of such bonds. The city may pledge such revenue of the
14 city subject to prior pledges, if any, for the payment of such
15 notes and may in addition secure the notes in the same manner as
16 provided for the bonds. All notes shall be issued and sold in the
17 same manner as bonds. Any eligible city may contract for the future
18 sale of notes on terms and conditions stated in such contracts,
19 and the city may pay such consideration as it deems proper for any
20 commitments to purchase notes and bonds in the future. Such notes
21 shall also be collaterally secured by pledges and deposits with a
22 bank or trust company, in trust for the payment of such notes, of
23 bonds in an aggregate amount at least equal to the amount of such
24 notes and in an amount deemed by the issuing party sufficient to
25 provide for the payment of the notes in full at the maturity of the
26 notes. The city may provide in the collateral agreement that the
27 notes may be exchanged for bonds held as collateral security for

1 the notes, or that the trustee may sell the bonds if the notes are
2 not otherwise paid at maturity and apply the proceeds of such sales
3 to the payment of the notes. Such notes shall bear interest at a
4 rate or rates set by the contracting public body and shall be sold
5 at such price as will cause the interest cost on the note to not
6 exceed such rate or rates.

7 Sec. 13. (1) An eligible city may establish or cause to
8 be established an Envision repository if it issues bonds, including
9 refunding bonds, for a purpose that includes funding an Envision
10 repository. That portion of bond proceeds intended to fund an
11 Envision repository shall be deposited in such Envision repository
12 if required under the terms of the finance agreement.

13 (2) Amounts deposited or to be deposited in the Envision
14 repository shall be used to annually remit to an eligible city an
15 amount equal to the amount of city sales tax revenue attributable
16 to or derived from transactions subject to tax under sections
17 77-2703 and 77-27,142 within the envision district in the base
18 year as determined by the Tax Commissioner pursuant to the Envision
19 Nebraska Act. Reimbursements from the Envision repository shall be
20 in accordance with the terms of the finance agreement.

21 (3) The eligible city, a trustee, or any other person
22 identified in the finance agreement shall keep full and accurate
23 records of all money received and distributed from the Envision
24 repository.

25 Sec. 14. (1) The Tax Commissioner shall calculate monthly
26 the amount of increased city sales tax revenue attributable to or
27 derived from transactions subject to tax under sections 77-2703 and

1 77-27,142 within the envision district as follows:

2 (a) He or she shall determine the amount of city
3 sales tax revenue collected in the envision district during the
4 corresponding month in the base year;

5 (b) He or she shall determine the amount of city sales
6 tax revenue collected in the district during the corresponding
7 month in each subsequent calendar year; and

8 (c) He or she shall subtract the base year monthly
9 amount determined in subdivision (a) of this subsection from the
10 subsequent calendar year monthly amount determined in subdivision
11 (b) of this subsection.

12 (2) City sales tax revenue collected by sellers and
13 retailers doing business within the envision district shall be
14 reported on informational returns developed by the Department
15 of Revenue and provided to any such sellers and retailers. The
16 informational returns shall be submitted to the department by the
17 sellers and retailers by the twentieth day of the month following
18 the month the sales taxes are collected. The Tax Commissioner shall
19 use the data from the informational returns and sales tax returns
20 to determine the appropriate amount of state sales tax revenue.

21 (3) The Department of Revenue may adopt and promulgate
22 rules and regulations to carry out this section.

23 Sec. 15. (1) If an application is approved by the board
24 pursuant to the Envision Nebraska Act, the Tax Commissioner shall:

25 (a) Determine the state sales tax revenue collected by
26 sellers and retailers doing business within the envision district;
27 and

1 (b) Certify monthly to the State Treasurer the amount of
2 state sales tax revenue collected by sellers and retailers doing
3 business within the envision district.

4 (2) The Tax Commissioner shall calculate monthly the
5 amount of increased state sales tax revenue attributable to or
6 derived from transactions subject to tax under section 77-2703
7 within the envision district as follows:

8 (a) He or she shall determine the amount of state sales
9 tax revenue collected in the district during the corresponding
10 month in the base year;

11 (b) He or she shall determine the amount of state sales
12 tax revenue collected in the district during the corresponding
13 month in each subsequent calendar year; and

14 (c) He or she shall subtract the base year monthly
15 amount determined in subdivision (a) of this subsection from the
16 subsequent calendar year monthly amount determined in subdivision
17 (b) of this subsection.

18 (3) State sales tax revenue collected by sellers and
19 retailers doing business within the envision district described
20 in the application shall be reported on informational returns
21 developed by the Department of Revenue and provided to any such
22 sellers and retailers. The informational returns shall be submitted
23 to the department by the sellers and retailers by the twentieth day
24 of the month following the month the sales taxes are collected. The
25 Tax Commissioner shall use the data from the informational returns
26 and sales tax returns to determine the appropriate amount of state
27 sales tax revenue.

1 (4) The Department of Revenue may adopt and promulgate
2 rules and regulations to carry out this section.

3 Sec. 16. An eligible city may issue from time to time
4 bonds to renew or to pay bonds, including the interest on such
5 bonds, and whenever it deems refunding expedient, to refund
6 any bonds by the issuance of new bonds, whether the bonds to
7 be refunded have matured and whether the envision project as
8 originally financed with the bonds would at the time of the
9 refunding qualify as an envision project. The refunding bonds may
10 be sold and the proceeds applied to the purchase, redemption, or
11 payment of the bonds to be refunded or exchanged for the bonds to
12 be refunded.

13 Sec. 17. An eligible city may by ordinance provide
14 for the dissolution of an envision district, except that a
15 city shall not dissolve an envision district until the debt
16 incurred through the issuance of bonds, including refunding bonds,
17 to finance envision projects in such district pursuant to the
18 Envision Nebraska Act have been retired. Upon the adoption of an
19 ordinance pursuant to this section, the city shall notify the Tax
20 Commissioner of the dissolution of the envision district. Upon the
21 receipt of notification, the Tax Commissioner shall certify such
22 receipt to the State Treasurer who shall cease transferring city
23 sales tax revenue attributable to or derived from transactions
24 subject to tax under sections 77-2703 and 77-27,142 within the
25 envision district to the city. Upon the dissolution of an envision
26 district, the city sales tax revenue collected thereafter within
27 the area formerly comprising the district shall be administered and

1 the tax revenue distributed in the same manner as if the district
2 had not been established. Upon the receipt of notification, the
3 Tax Commissioner shall certify such receipt to the State Treasurer
4 who shall cease transferring state sales tax revenue attributable
5 to or derived from transactions subject to tax under section
6 77-2703 within the envision district to the city's Envision Fund
7 and the Destination Nebraska Tourism Fund. Upon the dissolution
8 of an envision district, the state sales tax revenue collected
9 thereafter within the area formerly comprising the district shall
10 be administered and the tax revenue distributed in the same manner
11 as if the district had not been established.

12 Sec. 18. (1) Nothing in the Envision Nebraska Act shall
13 be construed as a restriction or limitation upon any powers which
14 a city might otherwise have under any laws of this state but shall
15 be construed as cumulative. The powers conferred by the act shall
16 be in addition and supplemental to the powers conferred by any
17 other law and shall be independent of and in addition to any other
18 law of the State of Nebraska with reference to the matters covered
19 hereby and shall be considered as a complete and independent act
20 and not as amendatory of or limited by any other law of the State
21 of Nebraska. The act and all grants of power, authority, rights,
22 or discretion therein made shall be liberally construed, and all
23 incidental powers necessary to carry into effect the act are hereby
24 expressly granted to and conferred.

25 (2) The act shall be full authority for the exercise
26 of the powers described in the act by an eligible city, and no
27 action, proceeding, or election shall be required prior to the

1 exercise of such powers under the act or to authorize the exercise
2 of any of the powers granted in the act, except as specifically
3 provided in the act, and any provision of law applicable to a city
4 to the contrary notwithstanding. No proceedings for the issuance
5 of bonds of a city shall be required other than those required
6 by the act, and the provisions of all other laws and charters
7 of any city, if any, relative to the terms and conditions for
8 the acquisition, leasing, financing, construction, rehabilitation,
9 or purchase of projects as provided in the act and the issuance,
10 payment, redemption, registration, sale, or delivery of bonds by a
11 city shall not be applicable to bonds issued by a city pursuant
12 to the act. No city or governing body or officer thereof shall be
13 subject to the Securities Act of Nebraska with respect to any bonds
14 issued under the act. Insofar as the act is inconsistent with the
15 provisions of any other law or of any law otherwise applicable to a
16 city, the act shall be controlling.

17 Sec. 19. In addition to any other provisions governing
18 any eligible city set forth in the Envision Nebraska Act, for the
19 purpose of aiding and cooperating in the planning, undertaking,
20 or carrying out of an envision project located within an envision
21 district in which it is authorized to act, any eligible city
22 may, upon such terms, with or without consideration, as it may
23 determine, take any of the actions enumerated in section 58-526.

24 Sec. 20. The Revisor of Statutes shall assign sections 1
25 to 19 of this act to Chapter 13.

26 Sec. 21. If any section in this act or any part of any
27 section is declared invalid or unconstitutional, the declaration

- 1 shall not affect the validity or constitutionality of the remaining
- 2 portions.