

AMENDMENTS TO LB 471

Introduced by Mello

1 1. Insert the following new sections:

2 Sec. 2. Section 18-2709, Reissue Revised Statutes of  
3 Nebraska, is amended to read:

4 18-2709 (1) Qualifying business shall mean means any  
5 corporation, partnership, limited liability company, or sole  
6 proprietorship which derives its principal source of income from  
7 any of the following: The manufacture of articles of commerce;  
8 the conduct of research and development; the processing, storage,  
9 transport, or sale of goods or commodities which are sold or  
10 traded in interstate commerce; the sale of services in interstate  
11 commerce; headquarters facilities relating to eligible activities  
12 as listed in this section; telecommunications activities, including  
13 services providing advanced telecommunications capability; or  
14 tourism-related activities.

15 (2) Qualifying business also means:

16 (a) In cities of the first and second class and villages,  
17 a business shall also be a qualifying business if it that  
18 derives its principal source of income from the construction  
19 or rehabilitation of housing;

20 (b) A - In cities with a population of more than two  
21 thousand five hundred inhabitants and less than ten thousand  
22 inhabitants, a business shall also be a qualifying business if  
23 it that derives its principal source of income from retail

1 trade, except that no more than forty percent of the total  
2 revenue generated pursuant to the Local Option Municipal Economic  
3 Development Act for an economic development program in any  
4 twelve-month period and no more than twenty percent of the total  
5 revenue generated pursuant to the act for an economic development  
6 program in any five-year period, commencing from the date of  
7 municipal approval of an economic development program, shall be  
8 used by the city for or devoted to the use of retail trade  
9 businesses. For purposes of this ~~section~~, subdivision, retail trade  
10 ~~shall mean~~ means a business which is principally engaged in the  
11 sale of goods or commodities to ultimate consumers for their own  
12 use or consumption and not for resale; and-

13 (c) In cities with a population of two thousand five  
14 hundred inhabitants or less, a business shall be a qualifying  
15 business even though it derives its principal source of income from  
16 activities other than those set out in this section.

17 (3) If a business which would otherwise be a qualifying  
18 business employs people and carries on activities in more than  
19 one city in Nebraska or will do so at any time during the first  
20 year following its application for participation in an economic  
21 development program, it shall be a qualifying business only if, in  
22 each such city, it maintains employment for the first two years  
23 following the date on which such business begins operations in the  
24 city as a participant in its economic development program at a  
25 level not less than its average employment in such city over the  
26 twelve-month period preceding participation.

27 (4) A qualifying business need not be located within the

1 territorial boundaries of the city from which it is or will be  
2 receiving financial assistance.

3 Sec. 4. Section 18-2717, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5 18-2717 (1) No city shall appropriate from funds derived  
6 directly from local sources of revenue for all approved economic  
7 development programs, in each year during which such programs are  
8 in existence, an amount in excess of four-tenths of one percent of  
9 the taxable valuation of the city in the year in which the funds  
10 are collected.

11 (2) Notwithstanding the provisions of subsections (1) and  
12 (3) of this section, no city of the metropolitan or primary class  
13 shall appropriate from funds derived directly from local sources  
14 of revenue more than ~~three~~ five million dollars for all approved  
15 economic development programs in any one year, no city of the  
16 first class shall appropriate from funds derived directly from  
17 local sources of revenue more than ~~two~~ four million dollars for all  
18 approved economic development programs in any one year, and no city  
19 of the second class or village shall appropriate from funds derived  
20 directly from local sources of revenue more than ~~one~~ three million  
21 dollars for all approved economic development programs in any one  
22 year.

23 (3) Notwithstanding the provisions of subsections (1) and  
24 (2) of this section, no city shall appropriate from funds derived  
25 directly from local sources of revenue an amount for an economic  
26 development program in excess of the total amount approved by  
27 the voters at the election or elections in which the economic

1 development program was submitted or amended.

2 (4) The restrictions on the appropriation of funds from  
3 local sources of revenue as set out in subsections (1) through  
4 (3) of this section shall apply only to the appropriation of  
5 funds derived directly from local sources of revenue. Sales tax  
6 collections in excess of the amount which may be appropriated as  
7 a result of the restrictions set out in such subsections shall be  
8 deposited in the city's economic development fund and invested as  
9 provided for in section 18-2718. Any funds in the city's economic  
10 development fund not otherwise restricted from appropriation by  
11 reason of the city's ordinance governing the economic development  
12 program or this section may be appropriated and spent for the  
13 purposes of the economic development program in any amount and  
14 at any time at the discretion of the governing body of the city  
15 subject only to section 18-2716.

16 (5) The restrictions on the appropriation of funds from  
17 local sources of revenue shall not apply to the reappropriation  
18 of funds which were appropriated but not expended during previous  
19 fiscal years.

20 2. Renumber the remaining sections and correct the  
21 repealer accordingly.