

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB388

Hearing Date: Monday February 07, 2011
Committee On: Banking, Commerce and Insurance
Introducer: Wightman
One Liner: Adopt the Site and Building Development Act and change provisions relating to the Affordable Housing Trust Fund

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	7	Senators Gloor, Langemeier, McCoy, Pahls, Pankonin, Pirsch, Utter
Nay:	1	Senator Christensen
Absent:		
Present Not Voting:		

Proponents:

Senator John Wightman
Richard Baier
Dee Haussler

Roger Christianson
Rick Cunningham
Todd Lorenz
Karl Elmshaeuser
Korby Gilbertson

Representing:

Introducer
NE Dept. of Economic Development
Hastings Economic Development/ NE Economic Development Assn.
Omaha Chamber of Commerce/NE State Chamber
City of Omaha
Lincoln Chamber of Commerce
West Central NE Development District
NE Realtors Assn/NE State Homebuilders Assn

Opponents:

James Rieker
Darren McCarty
Cliff Mesner
Roger Nadrchal
Rob Woodling
Janet Latimer
Danielle Hill

Representing:

Midwest Housing Equity Group
Self
Mesner Development Co.
NeighborWorks Northeast NE
Foundations Development
Horizon Bank
NE Housing Developers Assn.

Neutral:

Representing:

Summary of purpose and/or changes:

LB388 (Wightman; at the request of the Governor) would enact eight new sections to known as the Site and Building Development Act. The bill would create the Site and Building Development Fund to receive money from documentary stamp tax collections. Also, three million dollars would be transferred from the Affordable Housing Trust Fund to the Site and Building Development Fund between October 1 and October 10, 2011.

The bill would provide that the Department of Economic Development (DED) shall use the Site and Building Development Fund to finance loans, grants, subsidies, credit enhancements, and other financial assistance for industrial

site and building development.

SUMMARY

Section 1 would enact a new section to provide for a named act: the Site and Building Development Act.

Section 2 would enact a new section to provide for legislative findings.

Section 3 would enact a new section to provide for creation of the Site and Building Development Fund, which shall receive funds from documentary stamp tax collections, and also appropriations from the Legislature, grants, private contributions, repayment of loans, and all other sources. This section would provide that the State Treasurer shall transfer \$3,000,000 from the Affordable Housing Trust Fund to the Site and Building Development Fund between October 1 and October 10, 2011.

Section 4 would enact a new section to provide that DED shall use the Site and Building Development Fund to finance loans, grants, subsidies, credit enhancements, and other financial assistance for industrial site and building development.

Section 5 would enact a new section to provide that governmental subdivisions and Nebraska nonprofit organizations are eligible to receive assistance under the Site and Building Development Act.

Section 6 would enact a new section to provide that DED shall annually allocate not less than forty percent of available funds to nonmetropolitan areas, which would be defined as counties with fewer than one hundred thousand inhabitants. Section 7 would enact a new section to provide DED with rule and regulation authority to carry out the Site and Building Development Act.

Section 8 would enact a new section to provide that DED shall submit annual reports to the Legislature.

Section 9 would amend section 58-702 of the Nebraska Affordable Housing Act to provide legislative findings.

Section 10 would amend section 58-703 of the Nebraska Affordable Housing Act to provide that transfers may be made from the Affordable Housing Trust Fund to the Site and Building Development Fund at the direction of the Legislature.

Section 11 would amend section 58-706 of the Nebraska Affordable Housing Act to provide that demolition of existing vacant, condemned, or obsolete housing or industrial buildings or infrastructure are activities eligible for assistance from the Affordable Housing Trust Fund.

Section 12 would amend section 76-903 of the documentary stamp tax statutes to provide that of each one dollars and seventy-five cents remitted to the state, thirty cents shall be remitted to the Site and Building Development Fund and ninety cents rather than one dollar and twenty cents shall be remitted to the Affordable Housing Trust Fund. The amounts remitted to other funds would not be changed.

Section 13 would provide for an operative date of October 1, 2011.

Section 14 would provide for repealers of amendatory sections.

Rich Pahls, Chairperson