

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 571

Introduced by Harr, 8; Ashford, 20.

Read first time January 23, 2013

Committee: Revenue

A BILL

1 FOR AN ACT relating to community enhancement; to amend sections
2 13-3108 and 13-2706, Reissue Revised Statutes of
3 Nebraska, and section 85-1402, Revised Statutes
4 Cumulative Supplement, 2012; to adopt the Community
5 Enhancement Financing Assistance Act; to provide an
6 operative date; and to repeal the original sections.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 11 of this act shall be known
2 and may be cited as the Community Enhancement Financing Assistance
3 Act.

4 Sec. 2. For purposes of the Community Enhancement
5 Financing Assistance Act:

6 (1) Applicant means a political subdivision, a public
7 postsecondary educational institution, a nonprofit corporation acting
8 on behalf of a political subdivision or public postsecondary
9 educational institution, or any combination thereof applying for
10 state assistance under the act;

11 (2) Board means a board consisting of the Governor, the
12 State Treasurer, the chairperson of the Nebraska Investment Council,
13 the chairperson of the Nebraska State Board of Public Accountancy,
14 and a professor of economics on the faculty of a state postsecondary
15 educational institution. For administrative and budget purposes only,
16 the board shall be considered part of the Department of Revenue;

17 (3) Costs of an eligible project means all costs incurred
18 by an applicant in connection with the design, construction,
19 acquisition, improving, and equipping of an eligible project and
20 includes costs of issuance of any associated obligations, debt
21 service reserve funding, and capitalized interest on such obligations
22 during the period of construction and operational startup;

23 (4) Eligible project means any new or revitalizing
24 project which the governing body of an applicant has determined is
25 intended primarily to provide cultural, recreational, educational, or

1 public purposes that will enhance the quality of life in the
2 community and that is available for use by the public. Eligible
3 project does not include any elementary, high school, postsecondary,
4 or administrative school building;

5 (5) Fiscal year means the fiscal year of the applicant;

6 (6) Increase in state tax revenue means the amount of
7 state sales tax revenue collected by a nearby retailer during the
8 fiscal year for which state assistance is calculated minus the amount
9 of state sales tax revenue collected by the nearby retailer in the
10 fiscal year that ended immediately preceding the date the eligible
11 project begins, except that the amount of the increase in state sales
12 tax revenue shall not be less than zero;

13 (7) Nearby retailer means a retailer as defined in
14 section 77-2701.32 that is located within the project turnback zone.
15 The term includes successors or assigns of a nearby retailer
16 operating at the same location. A successor or assigns of a nearby
17 retailer shall be deemed to have commenced collecting local sales tax
18 at the time the original nearby retailer commenced collecting local
19 sales tax;

20 (8) New state sales tax revenue means:

21 (a) For nearby retailers that commenced collecting state
22 sales tax during the period of time beginning twenty-four months
23 prior to the date the eligible project begins and ending twenty-four
24 months after the date the eligible project begins, one hundred
25 percent of the state sales tax revenue collected by the nearby

1 retailer and sourced under sections 77-2703.01 to 77-2703.04 to a
2 location within the project turnback zone; and

3 (b) For nearby retailers that commenced collecting state
4 sales tax prior to twenty-four months prior to the date the eligible
5 project begins, the increase in state sales tax revenue collected by
6 the nearby retailer and sourced under sections 77-2703.01 to
7 77-2703.04 to a location within the project turnback zone.

8 A successor or assigns of a nearby retailer shall be
9 deemed to have commenced collecting state sales tax at the time the
10 original nearby retailer commenced collecting state sales tax;

11 (9) Nonprofit corporation means a nonprofit corporation
12 formed under the general nonprofit corporation law of a state for the
13 purpose of stimulating development within a political subdivision of
14 the state (a) that engages in activities which are essentially public
15 in nature, (b) that is not organized for profit except to the extent
16 of retiring indebtedness, (c) the corporate income of which does not
17 inure to any private person, (d) in which the state or a political
18 subdivision has a beneficial interest while any indebtedness remains
19 outstanding and of which state or political subdivision will obtain
20 full legal title to the property of the nonprofit corporation with
21 respect to which the indebtedness was incurred upon retirement of
22 such indebtedness, and (e) that has been approved by the state or a
23 political subdivision, either of which also has approved the specific
24 obligations issued by the nonprofit corporation;

25 (10) Obligation means a bond issued by or lease-purchase

1 agreement entered into by an applicant to finance or refinance an
2 eligible project. Obligations may be issued or entered into by an
3 applicant under the authority set forth in section 10 of this act or
4 any other authorization of the applicant under other applicable
5 statutes of the state;

6 (11) Political subdivision means any city, village, or
7 county;

8 (12) Project turnback zone means an area established
9 pursuant to section 7 of this act;

10 (13) Public postsecondary educational institution means
11 the University of Nebraska, a Nebraska state college, or a Nebraska
12 community college; and

13 (14) State assistance means any new state sales tax
14 revenue and increase in state tax revenue.

15 Sec. 3. An application seeking state assistance for an
16 eligible project within a municipality or a municipality's
17 extraterritorial zoning jurisdiction shall not utilize any source of
18 municipal revenue for the project unless the municipality (1) is a
19 coapplicant or (2) expressly consents to the use of such revenue
20 through a resolution or ordinance passed by its governing body. For
21 purposes of this section, municipal revenue includes, but is not
22 limited to, a municipality's sales, use, or occupation tax revenue or
23 other fees or receipts.

24 Sec. 4. An applicant seeking to obtain state assistance
25 for an eligible project under the Community Enhancement Financing

1 Assistance Act may apply to the board for state assistance. The
2 governing body of the applicant shall approve the filing of an
3 application by majority vote of its members. At least one-third of
4 the cost of the eligible project shall be paid from private funds.
5 The amount of state assistance paid shall be equal to the amount paid
6 from private funds and in no case shall the state assistance be more
7 than the amount paid from private funds. The state assistance shall
8 only be used to pay the cost of the eligible project. The state
9 assistance shall not be used for an operating subsidy or to provide
10 any ancillary facility not part of the eligible project.

11 Sec. 5. (1) All applications for state assistance under
12 the Community Enhancement Financing Assistance Act shall include a
13 certified copy of the approving action of the governing body of the
14 applicant describing the proposed eligible project and the
15 anticipated financing.

16 (2) The application shall contain:

17 (a) A description of the proposed financing of the
18 eligible project, including the estimated principal and interest or
19 lease payment requirements, as applicable, for the obligations
20 proposed to be issued or entered into in connection with the eligible
21 project or the amounts necessary to repay the amounts advanced by the
22 applicant to pay the costs of the eligible project;

23 (b) Documentation acceptable to the board of local
24 financial commitment to support the project, including all public and
25 private resources pledged or committed to the project and including a

1 copy of any proposed operating agreement or lease with proposed users
2 of the eligible project;

3 (c) A proposed project turnback zone;

4 (d) An agreement to reimburse the board for any costs
5 relating to review and approval or denial of the application;

6 (e) A description of project and public improvements
7 within the project turnback zone;

8 (f) The projected economic and community benefits
9 provided by the project and public improvements within the project
10 turnback zone; and

11 (g) Any other project information deemed appropriate by
12 the board.

13 (3) Upon receiving an application for state assistance,
14 the board shall review the application and notify the applicant of
15 any additional information needed for a proper evaluation of the
16 application.

17 (4) Any state assistance received pursuant to the act
18 shall be used only for the intended purposes.

19 Sec. 6. (1) After reviewing an application submitted
20 under section 5 of this act, the board shall hold a public hearing on
21 the application.

22 (2) The board shall give notice of the time, place, and
23 purpose of the public hearing by publication weekly for three times
24 in a newspaper of general circulation in each county in which the
25 eligible project is to be located. The last publication shall be not

1 less than ten days prior to the hearing. The notice shall describe
2 generally the eligible project for which state assistance has been
3 requested.

4 (3) At the public hearing, representatives of the
5 applicant and any other interested persons may appear and present
6 evidence and argument in support of or in opposition to the
7 application or neutral testimony. The board may seek expert testimony
8 and may require testimony of persons whom the board desires to
9 comment on the application. The board may accept additional evidence
10 after conclusion of the public hearing.

11 (4) The applicant shall pay the reasonable costs of the
12 notice, expert testimony sought by the board, and other expenses
13 involved with the application process.

14 Sec. 7. (1) If the application is approved, the board
15 shall establish the project turnback zone. Parameters for
16 establishment of the project turnback zone shall be established by
17 rule and regulation. In setting the project turnback zone, the board
18 shall consider the type of eligible project proposed by the
19 application and the types of retailers in the area, and the project
20 turnback zone shall be established based upon the economic impact of
21 the eligible project.

22 (2) In determining whether state assistance is in the
23 best interest of the state, the board shall consider the fiscal and
24 economic capacity of the applicant to finance the eligible project,
25 taking into account the requested state assistance under the

1 Community Enhancement Financing Assistance Act.

2 (3) A majority of the board members constitutes a quorum
3 for the purpose of conducting business. All actions of the board
4 shall be by a majority vote of all the board members, one of whom
5 must be the Governor.

6 (4) After consideration of the application and the
7 evidence, if the board finds that the project described in the
8 application is eligible and that state assistance is in the best
9 interest of the state, the application shall receive temporary
10 approval. If an obligation has previously been approved or is
11 subsequently approved by the governing body of the applicant under
12 section 10 of this act or, if applicable, in accordance with other
13 applicable statutes, the approval by the board becomes permanent. The
14 eligible project shall not receive state assistance until the
15 approval becomes permanent. Temporary approval shall become void one
16 year after being granted by the board.

17 Sec. 8. (1) If an application is approved, the Tax
18 Commissioner shall:

19 (a) Audit or review audits of the approved eligible
20 project to determine as applicable the (i) state sales tax revenue
21 collected by retailers doing business at such project on sales at
22 such project, (ii) state sales tax revenue collected on sales of
23 admissions to such project, (iii) new state sales tax revenue
24 collected by nearby retailers, and (iv) increase in state sales tax
25 revenue from existing nearby retailers;

1 (b) Certify annually the amount of state sales tax
2 revenue and new state sales tax revenue determined under subdivision
3 (a) of this subsection to the State Treasurer; and

4 (c) Determine if more than one eligible project is
5 eligible for state assistance under the Community Enhancement
6 Financing Assistance Act from state sales tax revenue collected by
7 the same nearby retailers. If the Tax Commissioner has made such a
8 determination, the eligible project that was first determined to be
9 eligible for state assistance shall be the only eligible project to
10 receive such funds until such time as the obligations issued or
11 entered into for such eligible project have been satisfied.

12 (2) Nearby retailers doing business at an eligible
13 project, nearby retailers collecting new state sales tax revenue, and
14 existing nearby retailers collecting increased state sales tax
15 revenue, shall report state sales tax revenue to the Department of
16 Revenue on informational returns developed by the department. The
17 informational returns shall be submitted to the department by the
18 retailer by the twentieth day of the month following the month the
19 sales taxes are collected. The Tax Commissioner shall use the data
20 from the informational returns and sales tax returns of nearby
21 retailers and the eligible project to determine the appropriate
22 amount of state sales tax revenue.

23 (3) The Department of Revenue may adopt and promulgate
24 rules and regulations to carry out the act.

25 Sec. 9. (1) Upon the annual certification under section 8

1 of this act, the State Treasurer shall transfer after the audit the
2 amount certified to the Community Enhancement Support Fund which is
3 hereby created. Any money in the fund available for investment shall
4 be invested by the state investment officer pursuant to the Nebraska
5 Capital Expansion Act and the Nebraska State Funds Investment Act.

6 (2) It is the intent of the Legislature to appropriate
7 from the fund money to be distributed to any applicant for which an
8 application for state assistance under the Community Enhancement
9 Financing Assistance Act has been approved an amount not to exceed
10 the (a) state sales tax revenue collected on sales of admissions to
11 such eligible projects, (b) new state sales tax revenue collected by
12 nearby retailers and sourced under sections 77-2703.01 to 77-2703.04
13 to a location within the project turnback zone, and (c) increased
14 state sales tax revenue collected by existing nearby retailers and
15 sourced under such sections to a location in the project turnback
16 zone.

17 (3) The total amount of state assistance approved for an
18 eligible project shall not (a) exceed the lesser of sixty million
19 dollars or an amount equal to the private funds expended for the cost
20 of the project or (b) be paid out for more than twenty years after
21 the issuance of the first obligation for the eligible project.

22 (4) State assistance to the applicant shall no longer be
23 available upon the retirement of the original obligations issued or
24 entered into to construct or equip the eligible project or any
25 subsequent obligations that refunded the original obligations or when

1 state assistance reaches the amount determined under subsection (3)
2 of this section, whichever comes first.

3 Sec. 10. (1) The applicant may issue or enter into from
4 time to time obligations to finance and refinance the costs of
5 eligible projects. The obligations may be issued in one or more
6 series and may be sold by the applicant in such manner and for such
7 price as the applicant determines, at a discount, at par, or at a
8 premium, at private negotiated sale or at public sale, and, in the
9 case of public sale, after notice published prior to the sale in a
10 newspaper having general circulation in each county in which the
11 eligible project is located or in such other medium of publication as
12 the applicant deems appropriate, including bond auction web sites.
13 The obligations shall have a stated maturity of twenty years or less
14 and shall bear interest at such rate or rates and otherwise be issued
15 or entered into in accordance with the respective procedures and with
16 such other terms and provisions as are established, permitted, or
17 authorized by applicable state laws and home rule charters. Such
18 obligations may be secured as to payment in whole or in part by a
19 pledge, as shall be determined by the applicant, from the income,
20 proceeds, and revenue of the eligible project financed with proceeds
21 of such obligations, from the income, proceeds, and revenue of any of
22 its other eligible projects, from its revenue and income, including
23 its sales, use, or occupation tax revenue, fees, or receipts, or from
24 any other sources of revenue as may be determined by the applicant.
25 The applicant may further provide that the obligations are to be

1 secured by a mortgage or deed of trust encumbering all or any portion
2 of the eligible project, by a bond insurance policy or other credit
3 support facility, or by reserve funds which may be established for
4 such purpose. The applicant may enter into a trust indenture. No
5 general obligations payable from ad valorem taxes on real property
6 shall be issued or entered into unless authorized for the eligible
7 project pursuant to other applicable statutes of the state or
8 applicable home rule charter. The face of the obligations shall
9 plainly state that the obligations and the interest thereon shall not
10 constitute nor give rise to an indebtedness, obligation, or pecuniary
11 liability of the state nor a charge against the general credit,
12 revenue, or taxing power of the state. Obligations of the applicant
13 are declared to be issued or entered into for an essential public and
14 governmental purpose and, together with interest thereon and income
15 therefrom, shall be exempt from all state income taxes. An eligible
16 project is declared to be a public service project and to be property
17 of the state and its governmental subdivisions within the meaning of
18 subdivision (1)(a)(i) of section 77-202.

19 (2) All payments to an applicant under the Community
20 Enhancement Financing Assistance Act are made subject to specific
21 appropriation for such purpose.

22 (3) The applicant may from time to time issue bonds or
23 enter into obligations, whenever it deems refunding expedient, to
24 refund any outstanding obligation, including the payment of any
25 redemption premiums, and accrued interest or interest to accrue to

1 the redemption date and cost of issuance, by the issuance of new
2 bonds or by entering into new obligations. The refunding obligation
3 shall not mature more than twenty years after the date of the
4 original issuance. The refunding obligations may be exchanged for the
5 refunded obligation or bonds or sold and the proceeds applied to the
6 purchase, redemption, or payment of the obligations refunded.

7 Sec. 11. Any applicant that receives a grant of
8 assistance under the Civic and Community Center Financing Act or the
9 Sports Arena Facility Financing Assistance Act shall not receive
10 state assistance under the Community Enhancement Financing Assistance
11 Act for the same project for which the grant was awarded under the
12 Civic and Community Center Financing Act or the Sports Arena Facility
13 Financing Assistance Act.

14 Sec. 12. Section 13-2706, Reissue Revised Statutes of
15 Nebraska, is amended to read:

16 13-2706 (1) Except as provided in subsection (2) of this
17 section for a city of the primary class, any municipality that has
18 applied for and received a grant of assistance under the Sports Arena
19 Facility Financing Assistance Act shall not receive state assistance
20 under the Civic and Community Center Financing Act for the same
21 project for which the grant was awarded under the Sports Arena
22 Facility Financing Assistance Act.

23 (2) A city of the primary class shall not be eligible to
24 receive a grant of assistance from the Civic and Community Center
25 Financing Act if the city has applied for and received a grant of

1 assistance under the Sports Arena Facility Financing Assistance Act.

2 (3) Any city that has received funding under the
3 Convention Center Facility Financing Assistance Act shall not receive
4 state assistance under the Civic and Community Center Financing Act.

5 (4) Any municipality that has applied for and received a
6 grant of assistance under the Community Enhancement Financing
7 Assistance Act shall not receive assistance under the Civic and
8 Community Center Financing Act for the same project for which the
9 grant was awarded under the Community Enhancement Financing
10 Assistance Act.

11 ~~(4)~~ (5) Any municipality eligible for a grant of
12 assistance as provided in this section may apply for a grant of
13 assistance from the fund. Application shall be made on forms
14 developed by the department.

15 Sec. 13. Section 13-3108, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 13-3108 (1) Upon the annual certification under section
18 13-3107, the State Treasurer shall transfer after the audit the
19 amount certified to the Sports Arena Facility Support Fund which is
20 hereby created. Any money in the fund available for investment shall
21 be invested by the state investment officer pursuant to the Nebraska
22 Capital Expansion Act and the Nebraska State Funds Investment Act.

23 (2)(a) It is the intent of the Legislature to appropriate
24 from the fund money to be distributed to any political subdivision
25 for which an application for state assistance under the Sports Arena

1 Facility Financing Assistance Act has been approved an amount not to
2 exceed seventy percent of the (i) state sales tax revenue collected
3 by retailers doing business at eligible sports arena facilities on
4 sales at such facilities, (ii) state sales tax revenue collected on
5 primary and secondary box office sales of admissions to such
6 facilities, and (iii) new state sales tax revenue collected by nearby
7 retailers and sourced under sections 77-2703.01 to 77-2703.04 to a
8 location within six hundred yards of the eligible facility.

9 (b) The amount to be appropriated for distribution as
10 state assistance to a political subdivision under this subsection for
11 any one year after the tenth year shall not exceed the highest such
12 amount appropriated under subdivision (2)(a) of this section during
13 any one year of the first ten years of such appropriation. If seventy
14 percent of the state sales tax revenue as described in subdivision
15 (2)(a) of this section exceeds the amount to be appropriated under
16 this subdivision, such excess funds shall be transferred to the
17 General Fund.

18 (3) The total amount of state assistance approved for an
19 eligible sports arena facility shall not (a) exceed fifty million
20 dollars or (b) be paid out for more than twenty years after the
21 issuance of the first bond for the sports arena facility.

22 (4) State assistance to the political subdivision shall
23 no longer be available upon the retirement of the bonds issued to
24 acquire, construct, improve, or equip the facility or any subsequent
25 bonds that refunded the original issue or when state assistance

1 reaches the amount determined under subsection (3) of this section,
2 whichever comes first.

3 (5) State assistance shall not be used for an operating
4 subsidy or other ancillary facility.

5 (6) The thirty percent of state sales tax revenue
6 remaining after the appropriation and transfer in subsection (2) of
7 this section shall be appropriated by the Legislature to the Civic
8 and Community Center Financing Fund.

9 (7) Except as provided in subsection (8) of this section
10 for a city of the primary class, any municipality that has applied
11 for and received a grant of assistance under the Civic and Community
12 Center Financing Act shall not receive state assistance under the
13 Sports Arena Facility Financing Assistance Act for the same project
14 for which the grant was awarded under the Civic and Community Center
15 Financing Act.

16 (8) A city of the primary class shall not be eligible to
17 receive a grant of assistance from the Civic and Community Center
18 Financing Act if the city has applied for and received a grant of
19 assistance under the Sports Arena Facility Financing Assistance Act.

20 (9) Any municipality that has applied for and received a
21 grant of assistance under the Community Enhancement Financing
22 Assistance Act shall not receive state assistance under the Sports
23 Arena Facility Financing Assistance Act for the same project for
24 which the grant was awarded under the Community Enhancement Financing
25 Assistance Act.

1 Sec. 14. Section 85-1402, Revised Statutes Cumulative
2 Supplement, 2012, is amended to read:

3 85-1402 For purposes of the Coordinating Commission for
4 Postsecondary Education Act:

5 (1)(a) Capital construction project shall mean a project
6 which utilizes tax funds designated by the Legislature and shall be:
7 Any proposed new capital structure; any proposed addition to,
8 renovation of, or remodeling of a capital structure; any proposed
9 acquisition of a capital structure by gift, purchase, lease-purchase,
10 or other means of construction or acquisition that (i) will be
11 directly financed in whole or in part with tax funds designated by
12 the Legislature totaling at least the minimum capital expenditure for
13 purposes of this subdivision, (ii) will be financed in whole or in
14 part with funds pursuant to the Community Enhancement Financing
15 Assistance Act totaling at least the minimum capital expenditure for
16 purposes of this subdivision, or (iii) ~~or (ii)~~ is likely, as
17 determined by the institution, to result in an incremental increase
18 in appropriation or expenditure of tax funds designated by the
19 Legislature of at least the minimum capital expenditure for the
20 facility's operations and maintenance costs in any one fiscal year
21 within a period of ten years from the date of substantial completion
22 or acquisition of the project. No tax funds designated by the
23 Legislature shall be appropriated or expended for any incremental
24 increase of more than the minimum capital expenditure for the costs
25 of the operations and utilities of any facility which is not included

1 in the definition of capital construction project and thus is not
2 subject to commission approval pursuant to the Coordinating
3 Commission for Postsecondary Education Act. No institution shall
4 include a request for funding such an increase in its budget request
5 for tax funds designated by the Legislature nor shall any institution
6 utilize any such funds for such an increase. The Governor shall not
7 include in his or her budget recommendations, and the Legislature
8 shall not appropriate, such funds for such increase.

9 (b) For purposes of this subdivision:

10 (i) Directly financed shall mean funded by:

11 (A) Appropriation of tax funds designated by the
12 Legislature for the specific capital construction project;

13 (B) Property tax levies authorized pursuant to
14 subdivision (1)(b) of section 85-1517 for fiscal years prior to
15 fiscal year 2013-14 and subdivision (2)(b) of section 85-1517 for
16 fiscal year 2013-14 and each fiscal year thereafter used to establish
17 a capital improvement and bond sinking fund as provided in section
18 85-1515; or

19 (C) That portion of tax funds designated by the
20 Legislature and appropriated by the Legislature for the general
21 operation of the public institution and utilized to fund the capital
22 project;

23 (ii) Incremental increase shall mean an increase in
24 appropriation or expenditure of tax funds designated by the
25 Legislature of at least the minimum capital expenditure for a

1 facility's operations and maintenance costs, beyond any increase due
2 to inflation, to pay for a capital structure's operations and
3 maintenance costs that are a direct result of a capital construction
4 project; and

5 (iii) Minimum capital expenditure shall mean:

6 (A) For purposes of subdivision (a)(i) of this
7 subdivision, a base amount of two million dollars; and

8 (B) For the facility's operations and maintenance costs
9 pursuant to subdivision (a)(ii) of this subdivision, a base amount of
10 eighty-five thousand dollars for any one fiscal year.

11 The base amount for the facility's operations and
12 maintenance costs shall be subject to any inflationary or market
13 adjustments made by the commission pursuant to this subdivision. The
14 commission shall adjust the base amount on a biennial basis beginning
15 January 1, 2010. The adjustments shall be based on percentage changes
16 in a construction cost index and any other published index relevant
17 to operations and utilities costs, both as selected by the commission
18 in cooperation with the public institutions. The index or indices
19 shall reflect inflationary or market trends for the applicable
20 operations and maintenance or construction costs;

21 (2) Commission shall mean the Coordinating Commission for
22 Postsecondary Education;

23 (3) Coordination shall mean:

24 (a) Authority to adopt, and revise as needed, a
25 comprehensive statewide plan for postsecondary education which shall

1 include (i) definitions of the role and mission of each public
2 postsecondary educational institution within any general assignments
3 of role and mission as may be prescribed by the Legislature and (ii)
4 plans for facilities which utilize tax funds designated by the
5 Legislature;

6 (b) Authority to review, monitor, and approve or
7 disapprove each public postsecondary educational institution's
8 programs and capital construction projects which utilize tax funds
9 designated by the Legislature in order to provide compliance and
10 consistency with the comprehensive plan and to prevent unnecessary
11 duplication; and

12 (c) Authority to review and modify, if needed to promote
13 compliance and consistency with the comprehensive statewide plan and
14 prevent unnecessary duplication, the budget requests of the governing
15 boards or any other governing board for any other public
16 postsecondary educational institution which may be established by the
17 Legislature;

18 (4) Education center shall mean an off-campus branch of a
19 public institution or cooperative of either public or public and
20 private postsecondary educational institutions which offers
21 instructional programs to students;

22 (5) Governing board shall mean the Board of Regents of
23 the University of Nebraska, the Board of Trustees of the Nebraska
24 State Colleges, or the board of governors for each community college
25 area;

1 (6) Program shall mean any program of instruction which
2 leads directly to a degree, diploma, or certificate and, for purposes
3 of section 85-1414, shall include public service programs and all
4 off-campus instructional programs, whether or not such programs lead
5 directly to a degree, diploma, or certificate. Program shall also
6 include the establishment of any new college, school, major division,
7 education center, or institute but shall not include reasonable and
8 moderate extensions of existing curricula which have a direct
9 relationship to existing programs;

10 (7) Public institution shall mean each campus of a public
11 postsecondary educational institution which is or may be established
12 by the Legislature, which is under the direction of a governing
13 board, and which is administered as a separate unit by the board; and

14 (8) Tax funds designated by the Legislature shall mean
15 all state tax revenue and all property tax revenue.

16 Sec. 15. This act becomes operative on October 1, 2013.

17 Sec. 16. Original sections 13-3108 and 13-2706, Reissue
18 Revised Statutes of Nebraska, and section 85-1402, Revised Statutes
19 Cumulative Supplement, 2012, are repealed.