

**ONE HUNDRED SIXTH LEGISLATURE - FIRST SESSION - 2019**  
**COMMITTEE STATEMENT**  
**LB86**

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**Hearing Date:** Friday January 25, 2019  
**Committee On:** Revenue  
**Introducer:** Wayne  
**One Liner:** Change provisions relating to the allocation of the Affordable Housing Trust Fund and the collection and remittance of the documentary stamp tax

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**

<b>Aye:</b>	7	Senators Briese, Crawford, Friesen, Kolterman, Lindstrom, Linehan, McCollister
<b>Nay:</b>	1	Senator Groene
<b>Absent:</b>		
<b>Present Not Voting:</b>		

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**Oral Testimony:**

**Proponents:**

Senator Justin Wayne  
Grant Daily

**Representing:**

Introducer  
NeighborWorks Lincoln

**Opponents:**

**Representing:**

**Neutral:**

Justin Brady  
Chris Lamberty

**Representing:**

Nebraska Realtors Association  
NE NAHRO, Lincoln Housing Authority

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**Summary of purpose and/or changes:**

LB86 proposes two rates for the documentary stamp tax. Currently the documentary stamp tax is \$2.25 for each \$1,000 of value or fraction of a value. This bill would amend the \$2.25 for each \$1,000 of value or fraction of a value for the first \$1 million in value and adds a rate of \$3.25 for each \$1,000 of value or fraction thereof for any value in excess of \$1 million.

Fifty cents of the additional \$3.25 collected will be remitted to the register of deeds for the county general fund. The remaining \$2.75 shall be remitted to the State Treasurer and distributed as follows:

- \$1.95 to the Affordable Housing Trust Fund
- \$0.25 to the Site and Building Development Fund
- \$0.25 to the Homeless Shelter Assistance Trust Fund
- \$0.30 to the Behavioral Health Services Fund

New language is added to include a percentage of the Affordable Housing Trust Fund to projects in extremely blighted areas. The definition of extremely blighted is found in Section 18-2103.

"(3) Blighted area means an area (a) which, by reason of the presence of a substantial number of deteriorated or

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deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred percent of the village as blighted. A redevelopment project involving a formerly used defense site as authorized under section 18-2123.01 shall not count towards the percentage limitations contained in this subdivision;"

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**Explanation of amendments:**

The amendment provides procedures to declare an area as extremely blighted. It also removes the increase in the documentary stamp tax.

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Lou Ann Linehan, Chairperson