

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1317

FINAL READING

Introduced by Linehan, 39.

Read first time January 17, 2024

Committee: Revenue

1 A BILL FOR AN ACT relating to law; to amend sections 2-1207, 9-810,
2 9-1104, 13-520, 18-1208, 18-2103, 44-314, 60-301, 60-302, 60-3,191,
3 66-4,105, 70-1002.02, 77-101, 77-106, 77-1333, 77-1359, 77-2704.66,
4 77-3002, 77-3003, 77-5005, 77-5017, and 77-5018, Reissue Revised
5 Statutes of Nebraska, sections 43-512.12, 66-482, 77-202, 77-202.01,
6 77-202.03, 77-3011, 77-5601, and 77-6831, Revised Statutes
7 Cumulative Supplement, 2022, and sections 9-1110, 13-3102, 13-3103,
8 13-3104, 13-3108, 70-1001.01, 77-2015, 77-2701, 77-2701.02,
9 77-2701.04, 77-2716, 77-4405, 77-4406, 85-2601, 85-2602, 85-2603,
10 85-2603.01, and 85-2605, Revised Statutes Supplement, 2023; to adopt
11 the Good Life District Economic Development Act, the Financial
12 Institution Data Match Act, and the Gambling Winnings Setoff for
13 Outstanding Debt Act; to require certain actions relating to
14 underutilized tax-exempt property and certain parimutuel, lottery,
15 gaming, and gambling winnings; to redefine a term under the
16 Community Development Law; to change provisions and define and
17 redefine terms relating to health insurance coverage for first
18 responders and dependents; to change provisions and define terms
19 under the Motor Vehicle Registration Act; to change provisions and
20 define and redefine terms relating to motor fuel taxation; to change
21 and provide provisions relating to electric energy, electric
22 suppliers, and electric and hybrid motor vehicles and charging

1 stations; to change provisions relating to occupation taxes and
2 property taxation; to restate legislative findings and change
3 provisions relating to rent-restricted housing projects; to state
4 legislative findings, define terms, and provide provisions relating
5 to sales-restricted houses; to change provisions relating to
6 inheritance taxes; to change provisions relating to the Nebraska
7 Revenue Act of 1967, the Good Life Transformational Projects Act,
8 the Sports Arena Facility Financing Assistance Act, the Tax
9 Equalization and Review Commission Act, and the First Responder
10 Recruitment and Retention Act; to provide and change sales and use
11 tax rates, exemptions, and incentives; to state intent relating to
12 appropriations for nitrate sensors; to harmonize provisions; to
13 provide operative dates; to provide severability; to repeal the
14 original sections; and to declare an emergency.
15 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 23 of this act shall be known and may be
2 cited as the Good Life District Economic Development Act.

3 Sec. 2. The Legislature finds that:

4 (1) There is a high degree of competition among states and
5 municipalities in our nation in their efforts to provide incentives for
6 businesses to expand or to locate in their respective jurisdictions; and

7 (2) Municipalities in Nebraska are unable to effectively assist the
8 development within good life districts formed pursuant to the Good Life
9 Transformational Projects Act because of their inability under Nebraska
10 law to raise sufficient capital to replace the state sales tax which is
11 reduced when a good life district is established. Without an efficient
12 replacement of such sales tax with local sources of revenue, development
13 within good life districts will fall short of reaching the full potential
14 intended by the Legislature when it enacted the Good Life
15 Transformational Projects Act, resulting in lower sales tax revenues for
16 the state. To prevent such diminished revenues for the state and to
17 promote local economic development where good life districts exist, local
18 sources of revenue must be established which are tailored to meet the
19 needs of the local community and benefit the state, if the voters in the
20 municipality determine that it is in the best interest of their community
21 to do so.

22 Sec. 3. For purposes of the Good Life District Economic Development
23 Act, unless the context otherwise requires:

24 (1) City means any city of the metropolitan class, city of the
25 primary class, city of the first class, city of the second class, or
26 village, including any city operated under a home rule charter;

27 (2) Bond has the same meaning as in section 10-134;

28 (3) Election means any general election, primary election, or
29 special election called by the city as provided by law;

30 (4) Eligible costs means payment and reimbursement of (a) the costs
31 of acquisition, planning, engineering, designing, financing,

1 construction, improvement, rehabilitation, renewal, replacement, repair,
2 landscaping, irrigation, and maintenance of privately and publicly owned
3 real estate, buildings, improvements, fixtures, equipment, and other
4 physical assets within a good life district and debt service on such real
5 estate, buildings, improvements, fixtures, equipment, and other physical
6 assets, (b) the costs of construction and acquisition of publicly owned
7 infrastructure and publicly owned property rights within or related to a
8 good life district, (c) the costs of development, acquisition,
9 maintenance, and enhancement of technology assets to include hardware,
10 software, and related intellectual property, if the initial exclusive use
11 of such property is in or related to the good life district program area,
12 (d) the costs of marketing, tenant improvement allowances, and tenant and
13 customer acquisition and retention, and (e) city costs related to
14 implementing, operating, and funding a good life district economic
15 development program;

16 (5) Good life district means any good life district established
17 pursuant to the Good Life Transformational Projects Act;

18 (6) Good life district applicant means the person who applied for
19 the applicable good life district, which was approved by the Department
20 of Economic Development pursuant to section 77-4405;

21 (7) Good life district economic development program or program means
22 a program established pursuant to the Good Life District Economic
23 Development Act to utilize funds derived from local sources of revenue
24 for the purpose of paying eligible costs, and for paying principal of and
25 interest on bonds issued pursuant to the act;

26 (8) Good life district program area means the area established
27 pursuant to section 5 of this act for a good life district economic
28 development program;

29 (9) Governing body means the city council, board of trustees, or
30 other legislative body charged with governing the city;

31 (10) Local sources of revenue means the sources of revenue

1 established for a good life district economic development program
2 pursuant to section 6 of this act, and any revenue generated from grants,
3 donations, or state and federal funds received by the city for such good
4 life district economic development program subject to any restrictions of
5 the grantor, donor, or state or federal law; and

6 (11) Qualifying business means any corporation, nonprofit
7 corporation, partnership, limited liability company, or sole
8 proprietorship which owns or leases property or operates its business
9 within a good life district program area, or plans to own or lease
10 property or operate its business within a good life district program
11 area. The good life district applicant shall be deemed a qualifying
12 business pursuant to this subdivision. Qualifying business shall also
13 include a political subdivision, a state agency, or any other
14 governmental entity which includes any portion of the good life district
15 program area within its territorial boundaries.

16 Sec. 4. (1) The authority of a city to establish a good life
17 district economic development program and to appropriate local sources of
18 revenue to such program is subject to approval by a vote of a majority of
19 the registered voters of the city voting upon the question.

20 (2) The question may be submitted to the voters at a special
21 election or such question may be voted on at an election held in
22 conjunction with the statewide primary or statewide general election. The
23 question may be submitted to the voters before or after any application
24 is submitted to establish a good life district pursuant to the Good Life
25 Transformational Projects Act.

26 (3) A city shall order submission of the question to the registered
27 voters by resolution. The resolution shall contain the entire wording of
28 the ballot question, which shall state the question as follows: "Shall
29 the [city or village] of [name of the city or village] be authorized to
30 establish a good life district economic development program for any area
31 within the [city or village] which is included in a good life district

1 established pursuant to the Good Life Transformational Projects Act, and
2 shall the [city or village] be authorized to appropriate the local
3 sources of revenue collected within such good life district program area,
4 which may include local option sales and use taxes and occupation taxes,
5 established pursuant to and as permitted by the Good Life District
6 Economic Development Act?"

7 (4) The city shall file a copy of the resolution calling the
8 election with the election commissioner or county clerk not later than
9 the eighth Friday prior to a special election or a municipal primary or
10 general election which is not held at the statewide primary or general
11 election, or not later than March 1 prior to a statewide primary election
12 or September 1 prior to a statewide general election. The election shall
13 be conducted in accordance with the Election Act.

14 (5) If a majority of those voting on the issue vote in favor of the
15 question, the governing body may establish and implement a good life
16 district economic development program upon the terms contained in the
17 Good Life District Economic Development Act. If a majority of those
18 voting on the issue vote against the question, the governing body shall
19 not establish or implement any good life district economic development
20 program. When the question of establishing a good life district economic
21 development program is defeated at an election, resubmission of the
22 question and an election on the question shall not be held until at least
23 five months have passed from and after the date of such election.

24 Sec. 5. (1) Upon approval by the voters, the governing body of the
25 city may establish a good life district economic development program for
26 any area within the city which is included in a good life district
27 established pursuant to the Good Life Transformational Projects Act, and
28 the city shall appropriate the local sources of revenue established in
29 the good life district program area and pledged for such program.

30 (2) A good life district economic development program shall be
31 established by ordinance, which shall include the following provisions:

1 (a) The boundaries of the good life district program area, which
2 shall be coterminous with the portion of the applicable good life
3 district as established pursuant to section 77-4405 which is located
4 within the city. Such boundaries of the program area may be expanded to
5 include any area annexed by the city which is also included within such
6 established good life district;

7 (b) A description of the local sources of revenue which shall be
8 established for the program pursuant to section 6 of this act, and a
9 pledge to appropriate such revenues to the program for the time period
10 during which such funds are collected;

11 (c) The time period within which the funds from local sources of
12 revenue are to be collected within the good life district program area,
13 and the time period during which the good life district economic
14 development program will be in existence;

15 (d) The manner in which a qualifying business will be required to
16 submit an application for assistance under the good life district
17 economic development program, including the type of information that will
18 be required from the business, the process that will be used to verify
19 the information, and the types of business information provided to the
20 city which will be kept confidential by the city, and the types of
21 agreements which will be permitted with qualifying businesses for
22 development of property within the good life district program area. No
23 additional business information shall be required from a qualifying
24 business that is the good life district applicant. The Department of
25 Economic Development shall provide a copy of the application, approval,
26 and all related documentation establishing the related good life district
27 to the city upon approval by the Department of Economic Development;

28 (e) Such restrictions on qualifying businesses, limitations on types
29 of eligible costs, and limitations on the amounts of eligible costs as
30 the city determines are in the best interests of the city and the good
31 life district economic development program. Such limitations and

1 restrictions shall include provisions intended to ensure (i) sufficient
2 infrastructure will be available to serve the program area and
3 expectations as to how such infrastructure will be constructed and
4 funded, (ii) sufficient capital investment in buildings and facilities to
5 generate enough local sources of revenue to sustain the program, and
6 (iii) substantially all of the eligible costs will be used for the
7 benefit of the program area; and

8 (f) A description of the administrative system that will be
9 established by the city to administer the good life district economic
10 development program, including a description of any personnel structure
11 and the duties and responsibilities of the personnel involved.

12 (3) All information provided with an application for assistance
13 under any good life district economic development program to the city by
14 a qualifying business shall be kept confidential by the city to the
15 extent required by the terms of the ordinance establishing the good life
16 district economic development program. The city may approve or deny any
17 application for assistance in the discretion of the city, subject to the
18 terms of any contract or agreement with a qualifying business related to
19 such program.

20 (4) The city may enter into contracts and agreements with qualifying
21 businesses related to assistance under the good life district economic
22 development program, development of property within the applicable good
23 life district program area, use of property within the good life district
24 program area, and other agreements related to the good life district
25 economic development program or good life district program area, which
26 contracts and agreements may extend over multiple years and include such
27 undertakings and designation of responsibilities as the city determines
28 appropriate or convenient for development, use, and operation of the good
29 life district economic development program and the properties in the good
30 life district program area. The city shall not enter into a contract or
31 agreement with a qualifying business for assistance that uses local

1 sources of revenue collected from property owned by the good life
2 district applicant unless the contract or agreement is approved by the
3 good life district applicant. This subsection shall not be construed to
4 provide a city with any power it would not otherwise have by law to
5 restrict a business lawfully permitted to operate in this state from
6 locating in a good life district.

7 (5) In connection with administration of a good life district
8 economic development program, a city may engage professionals,
9 consultants, and other third parties to assist and provide such services
10 to the city as determined appropriate by the city. All costs of
11 administration of the program which are charged to the program by the
12 city shall be paid from the associated good life district economic
13 development fund prior to payment of any other eligible costs or bonds
14 which may be payable from the fund.

15 (6) Each good life district economic development program shall
16 remain in effect until thirty years after the date the associated good
17 life district was established or until the program is terminated by the
18 city pursuant to subsection (7) of this section, whichever occurs first.
19 If more than one good life district is established within a city, a
20 separate good life district economic development program shall be
21 established for each such good life district.

22 (7) The governing body of a city may, at any time after the adoption
23 of the ordinance establishing the good life district economic development
24 program by a two-thirds vote of the members of the governing body, amend
25 or repeal the ordinance in its entirety, subject only to the provisions
26 of any outstanding bonds or existing contracts relating to such program
27 and the rights of any third parties arising from such bonds or contracts.

28 Sec. 6. (1) Upon establishing a good life district economic
29 development program, the city is authorized to establish any one or more
30 of the following local sources of revenue for the program within the
31 applicable good life district program area:

1 (a) A local option sales and use tax of up to the greater of (i) the
2 difference between the state sales tax rate levied in general and the
3 state sales tax rate levied on transactions occurring within a good life
4 district or (ii) two and three-quarters percent upon the same
5 transactions that are sourced under the provisions of sections 77-2703.01
6 to 77-2703.04 within the good life district program area on which the
7 State of Nebraska is authorized to impose a tax pursuant to the Nebraska
8 Revenue Act of 1967, as amended from time to time. The city is authorized
9 to impose such sales and use tax by ordinance of its governing body, and
10 such sales and use tax shall be in addition to any local option sales tax
11 imposed by the city pursuant to section 77-27,142. The administration of
12 such sales and use tax shall be by the Tax Commissioner in the same
13 manner as provided in section 77-27,143. The Tax Commissioner shall
14 collect the tax imposed pursuant to this subdivision concurrently with
15 collection of a state tax in the same manner as the state tax is
16 collected. The Tax Commissioner shall remit monthly the proceeds of such
17 tax to the city levying the tax. All relevant provisions of the Nebraska
18 Revenue Act of 1967, as amended from time to time, and not inconsistent
19 with the Good Life District Economic Development Act, shall govern
20 transactions, proceedings, and activities pursuant to any local option
21 sales and use tax imposed under this subdivision;

22 (b) A general business occupation tax upon the businesses and users
23 of space within the good life district program area. The city is
24 authorized to impose such occupation tax by ordinance of its governing
25 body, and any occupation tax imposed pursuant to this subdivision shall
26 make a reasonable classification of businesses, users of space, or kinds
27 of transactions for purposes of imposing such tax. The collection of a
28 tax imposed pursuant to this subdivision shall be made and enforced in
29 such a manner as the governing body of the city shall determine in such
30 ordinance to produce the required revenue. The governing body may provide
31 that failure to pay the tax imposed pursuant to this subdivision shall

1 constitute a violation of the ordinance and subject the violator to a
2 fine or other punishment as provided by such ordinance; or

3 (c) Such portion of a city's local option sales and use tax
4 established pursuant to section 77-27,142 which has been designated by
5 the city for such purpose pursuant to an ordinance, which may only
6 include amounts collected on transactions occurring within the good life
7 district program area, and which may be further restricted by the city in
8 such ordinance, or dedicated to pay such expenses as agreed to between
9 the city and the good life district applicant.

10 (2) The local option sales and use tax imposed pursuant to
11 subdivision (1)(a) of this section shall be separate and apart from any
12 sales and use tax imposed by the city pursuant to the Local Option
13 Revenue Act and shall not be considered imposed by or pursuant to the
14 Local Option Revenue Act for any purpose under Nebraska law. The local
15 option sales and use tax imposed pursuant to subdivision (1)(a) of this
16 section shall not be subject to deduction for any refunds made pursuant
17 to section 77-4105, 77-4106, 77-5725, or 77-5726, and shall not be
18 affected by or included in the tax incentives available under the
19 Employment and Investment Growth Act, the Nebraska Advantage Act, the
20 ImagiNE Nebraska Act, the Nebraska Advantage Transformational Tourism and
21 Redevelopment Act, the Urban Redevelopment Act, or any other tax
22 incentive act which affects the local option sales tax imposed by a city
23 pursuant to the Local Option Revenue Act.

24 (3) All local sources of revenue which have been established for a
25 good life district shall remain in effect and shall not end or terminate
26 until the associated good life district economic development program
27 terminates.

28 Sec. 7. (1) Any city which has established a good life district
29 economic development program shall establish a separate good life
30 district economic development fund for such program, and may establish
31 subaccounts in such fund as determined appropriate. All funds derived

1 from local sources of revenue established for the program or received for
2 the program, and any earnings from the investment of such funds, shall be
3 deposited into such fund. Any proceeds from the issuance and sale of
4 bonds pursuant to the Good Life District Economic Development Act to
5 provide funds to carry out the good life district economic development
6 program, shall be deposited into the good life district economic
7 development fund, or with a bond trustee pursuant to any resolution,
8 trust indenture, or other security instrument entered into in connection
9 with the issuance of such bonds, or as otherwise provided in section 16
10 of this act. The city shall not transfer or remove funds from a good life
11 district economic development fund other than for the purposes prescribed
12 in the act, and the money in a good life district economic development
13 fund shall not be commingled with any other city funds.

14 (2) Distribution of any funds from a good life district economic
15 development fund, including from proceeds of bonds issued pursuant to the
16 Good Life District Economic Development Act, to a qualifying business
17 shall be made only upon receipt of evidence that such distribution is for
18 the payment or reimbursement of eligible costs. A city may establish
19 processes for any such approval in the ordinance establishing the
20 applicable program, with a bond trustee under a bond resolution or trust
21 indenture, or as may otherwise be determined appropriate by the city.

22 (3) Any money in a good life district economic development fund not
23 currently required or committed for purposes of such good life district
24 economic development program shall be invested as provided for in section
25 77-2341.

26 (4) In the event that a good life district economic development
27 program is terminated or ends, the balance of money in such good life
28 district economic development fund not otherwise pledged for payment of
29 bonds or otherwise committed by contract under the program shall be
30 deposited in the general fund of the city. Any funds received by the city
31 by reason of a good life district economic development program after the

1 termination of such program shall be transferred from such good life
2 district economic development fund to the general fund of the city as
3 such funds are received.

4 (5) A good life district economic development fund shall not be
5 terminated until such time as all bonds, contracts, and other obligations
6 payable from such fund are no longer outstanding or are extinguished as
7 provided in section 11 of this act, and all funds related to them fully
8 accounted for, with no further city action required, and after the
9 completion of a final audit pursuant to section 9 of this act.

10 Sec. 8. All local sources of revenue established for a good life
11 district economic development program, and received for such program,
12 shall be deposited in the applicable good life district economic
13 development fund of the city when received. Any funds in the good life
14 district economic development fund may be appropriated and spent for
15 eligible costs of the good life district economic development program in
16 any amount and at any time at the discretion and direction of the
17 governing body of the city.

18 Sec. 9. The city shall provide for an annual, outside, independent
19 audit of each good life district economic development program by a
20 qualified independent accounting firm, the cost of which may be charged
21 by the city to the applicable good life district economic development
22 fund. The independent auditor shall not, at the time of the audit or for
23 any period during the term subject to the audit, have any contractual or
24 business relationship with any qualifying business receiving funds or
25 assistance under the good life district economic development program. The
26 results of such audit shall be filed with the city clerk and made
27 available for public review during normal business hours.

28 Sec. 10. The Nebraska Budget Act shall not apply to any good life
29 district economic development program or local sources of revenue
30 dedicated to such program.

31 Sec. 11. (1) Any city which has established a good life district

1 economic development program may from time to time issue bonds as
2 provided in sections 11 to 19 of this act. Such bonds shall be in such
3 principal amounts as the city's governing body authorizes to provide
4 sufficient funds to carry out any of the purposes of and powers granted
5 pursuant to the Good Life District Economic Development Act, including
6 the payment of eligible costs and all other costs or expenses of the city
7 incident to and necessary or convenient to carry out the good life
8 district economic development program, and the principal of and interest
9 on such bonds shall be payable from the local sources of revenue which
10 are dedicated to the good life district economic development fund. Bonds
11 may also be issued pursuant to the Good Life District Economic
12 Development Act to provide funds to finance or refinance one or more
13 redevelopment projects approved pursuant to the Community Development
14 Law, and the taxes authorized or collected pursuant to sections
15 18-2142.02 and 18-2147 of the Community Development Law and which are
16 permitted or required to be pledged pursuant to the Community Development
17 Law for payment of bonds for a redevelopment project may be pledged by
18 the city pursuant to the Good Life District Economic Development Act for
19 payment of bonds issued hereunder to finance or refinance such
20 redevelopment projects. Bonds may be issued by the city for such
21 combination of eligible costs and redevelopment projects and other
22 purposes permitted under the Good Life District Economic Development Act
23 as determined appropriate by the city, and may be payable from such
24 combination of local sources of revenue and taxes authorized under the
25 act as determined appropriate by the city.

26 (2) The obligations of the city with respect to the good life
27 district economic development program, including any bonds issued or
28 contracts of the city entered into under the Good Life District Economic
29 Development Act, shall not be a general obligation of the city or a
30 pledge of its credit or taxing power, nor in any event shall such bonds
31 or contracts be payable out of any funds or properties of the city, other

1 than the local sources of revenue appropriated by the city and dedicated
2 to the program pursuant to the act and the other taxes pledged for
3 payment of bonds pursuant to the act. The bonds issued under the act
4 shall not constitute an indebtedness within the meaning of any
5 constitutional or statutory debt limitation or restriction.

6 (3) Notwithstanding anything to the contrary in the Good Life
7 District Economic Development Act, any bonds, contracts, or other
8 obligations which remain outstanding or unpaid upon termination of the
9 program pursuant to section 5 of this act shall be deemed canceled and
10 extinguished after all remaining amounts held in the applicable good life
11 district economic development fund have been depleted to pay such bonds,
12 contracts, or other obligations, and the city shall have no continued
13 liability, express or implied, with respect to such bonds, contracts, or
14 other obligations thereafter.

15 Sec. 12. The members of a city's governing body and any person
16 executing bonds issued under the Good Life District Economic Development
17 Act shall not be liable personally on such bonds by reason of the
18 issuance thereof.

19 Sec. 13. (1) Bonds issued or delivered under the Good Life District
20 Economic Development Act shall be authorized by resolution of the city's
21 governing body, may be issued and secured under a resolution, trust
22 indenture, or other security instrument in one or more series, and shall
23 bear such date or dates, mature at such time or times prior to the
24 expiration of the program, bear interest at such rate or rates, be in
25 such denomination or denominations, bear such title and designation, be
26 in such form, either coupon or registered, carry such conversion or
27 registration privileges, have such rank or priority, be executed in such
28 manner, be payable in such medium of payment and at such place or places,
29 and be subject to such terms of redemption, with or without premium, as
30 such resolution, trust indenture, or other security instrument may
31 provide and without limitation by any other law limiting amounts,

1 maturities, interest rates, or redemption provisions. Any officer
2 authorized or designated to sign, countersign, execute, or attest any
3 bond may utilize a facsimile signature in lieu of his or her manual
4 signature. The bonds may be sold at public or private sale as provided by
5 the city's governing body and at such price or prices as determined or
6 directed by such governing body.

7 (2) Bonds issued or delivered under the Good Life District Economic
8 Development Act may be issued for such combination of eligible costs and
9 redevelopment projects and other purposes, and may be payable from such
10 sources as permitted under the act, as may be provided in the resolution,
11 trust indenture, or other security instrument related to the bonds. The
12 city may make any allocation or designation with respect to the
13 application of proceeds of such bonds, and any allocation or designation
14 of local sources of revenue and other sources permitted under the act to
15 the repayment of such bonds, as determined in or pursuant to such
16 resolution, trust indenture, other security instrument, or other measure
17 of the governing body of the city. To the extent a portion of such bonds
18 are issued to finance or refinance a redevelopment project, any taxes
19 collected by the city pursuant to section 18-2147 which are pledged for
20 and applied to payment of such bonds shall be deemed to be allocated and
21 applied to repayment of such bonds prior to and to the exclusion of any
22 other local sources of revenue or other repayment sources permitted under
23 the Good Life District Economic Development Act.

24 Sec. 14. If any of the officers whose signatures appear on any
25 bonds issued under the Good Life District Economic Development Act cease
26 to be such officers before the delivery of such obligations, such
27 signatures shall nevertheless be valid and sufficient for all purposes to
28 the same extent as if such officers had remained in office until such
29 delivery.

30 Sec. 15. Any city may in connection with the issuance of its bonds,
31 entry into any contract, or delivery of other obligations under the Good

1 Life District Economic Development Act:

2 (1) Redeem the bonds, covenant for their redemption, and provide the
3 terms and conditions of redemption;

4 (2) Covenant that the good life district economic development
5 program and local sources of revenue established for such program shall
6 not terminate for purposes of the act until thirty years after the date
7 the associated good life district was established or until the bonds
8 issued for such program and other contractual obligations related to such
9 program are no longer outstanding, whichever occurs first;

10 (3) Covenant to impose or levy such local sources of revenue
11 determined by the city and pledge the local sources of revenue and other
12 taxes permitted to be pledged to pay the interest and principal payments,
13 whether at maturity or upon sinking-fund redemption, on any outstanding
14 bonds of the city payable from such pledged local sources of revenue and
15 other taxes, and creation and maintenance of any reasonable reserves
16 therefor and to provide for any margins or coverages over and above debt
17 service on the bonds deemed desirable for the marketability or security
18 of the bonds;

19 (4) Covenant as to the application of the local sources of revenue
20 within the good life district economic development fund, which shall
21 include reasonable provision for the cost of operating and maintaining
22 the associated program by the city, provided that the provisions of
23 section 13 of this act shall govern the application of any taxes received
24 pursuant to section 18-2147 for payment of bonds issued under the Good
25 Life District Economic Development Act;

26 (5) Covenant and prescribe as to events of default and as to the
27 consequences of default and the remedies of bondholders;

28 (6) Covenant as to the purposes to which the proceeds from the sale
29 of any bonds may be applied and the pledge of such proceeds to secure the
30 payment of the bonds;

31 (7) Covenant as to limitations on the issuance of any additional

1 bonds, the terms upon which additional bonds may be issued and secured,
2 and the refunding of outstanding bonds;

3 (8) Covenant as to the rank or priority of any bonds with respect to
4 any lien or security;

5 (9) Covenant as to the procedure by which the terms of any contract
6 with or for the benefit of the bondholders may be amended or abrogated,
7 the amount of bonds the holders of which must consent thereto, and the
8 manner in which such consent may be given;

9 (10) Covenant as to the custody and safekeeping of a good life
10 district economic development fund;

11 (11) Covenant as to the vesting in a trustee or trustees, within or
12 outside the state, of such properties, rights, powers, and duties in
13 trust as the city may determine;

14 (12) Covenant as to the appointing and providing for the duties and
15 obligations of a paying agent or paying agents or other fiduciaries
16 within or outside the state;

17 (13) Make all other covenants and do any and all other acts and
18 things as may be necessary, convenient, or desirable in order to secure
19 its bonds or, in the absolute discretion of the city, tend to make the
20 bonds more marketable, notwithstanding that such other covenants, acts,
21 or things may not be enumerated in this section; and

22 (14) Execute all instruments necessary or convenient in the exercise
23 of the powers granted pursuant to the Good Life District Economic
24 Development Act or in the performance of covenants or duties of the city
25 incurred under the act, which instruments may contain such covenants and
26 provisions as any purchaser of bonds or other obligations may reasonably
27 require or which may be determined necessary or appropriate.

28 Sec. 16. (1) Any city which has issued bonds pursuant to the Good
29 Life District Economic Development Act or the Community Development Law,
30 and such bonds remain unpaid and are outstanding, is hereby authorized to
31 issue refunding bonds with which to call and redeem all or any part of

1 such outstanding bonds at or before the maturity or the redemption date
2 of such bonds. Such city may include various series and issues of the
3 outstanding bonds in a single issue of refunding bonds and issue
4 refunding bonds to pay any redemption premium and interest to accrue and
5 become payable on the outstanding bonds being refunded. The refunding
6 bonds may be issued and delivered at any time prior to the date of
7 maturity or the redemption date of the bonds to be refunded that the
8 governing body of such city determines to be in its best interests. The
9 proceeds derived from the sale of the refunding bonds issued pursuant to
10 this section may be invested in obligations of or guaranteed by the
11 United States Government pending the time the proceeds are required for
12 the purposes for which such refunding bonds were issued. To further
13 secure the refunding bonds, any such city may enter into a contract with
14 any bank or trust company within or without the state with respect to the
15 safekeeping and application of the proceeds of the refunding bonds and
16 the safekeeping and application of the earnings on the investment. All
17 bonds issued under the provisions of this section shall be redeemable at
18 such times and under such conditions as the governing body of the city
19 shall determine at the time of issuance.

20 (2) Any outstanding bonds issued by any such city for which
21 sufficient funds or obligations of or guaranteed by the United States
22 Government have been pledged and set aside in safekeeping to be applied
23 for the complete payment of such bonds at maturity or upon redemption
24 prior to maturity, interest thereon, and redemption premium, if any,
25 shall not be considered as outstanding and unpaid pursuant to the Good
26 Life District Economic Development Act.

27 Sec. 17. The issue of refunding bonds, the manner of sale, the
28 maturities, interest rates, form, and other details thereof, the security
29 therefor, the rights of the holders thereof, and the rights, duties, and
30 obligations of the city in respect of the same shall be governed by the
31 provisions of the Good Life District Economic Development Act relating to

1 the issue of bonds other than refunding bonds insofar as the same may be
2 applicable. The city may issue bonds for refunding and nonrefunding
3 purposes as part of the same series of bonds.

4 Sec. 18. Bonds issued pursuant to the Good Life District Economic
5 Development Act shall be securities in which all public officers and
6 instrumentalities of the state and all political subdivisions, insurance
7 companies, trust companies, banks, savings and loan associations,
8 investment companies, executors, administrators, personal
9 representatives, trustees, and other fiduciaries may properly and legally
10 invest funds, including capital in their control or belonging to them.
11 Such bonds shall be securities which may properly and legally be
12 deposited with and received by any officer or instrumentality of this
13 state or any political subdivision for any purpose for which the deposit
14 of bonds of this state or any political subdivision thereof is now or may
15 hereafter be authorized by law.

16 Sec. 19. (1) Bonds may be issued, contracts may be entered into,
17 and other obligations may be incurred, under the Good Life District
18 Economic Development Act without obtaining the consent of any department,
19 division, commission, board, bureau, or instrumentality of this state and
20 without any other proceedings or the happening of any other conditions or
21 things than those proceedings, conditions, or things which are
22 specifically required by the act, and the validity of and security for
23 any bonds, contract, or other obligations shall not be affected by the
24 existence or nonexistence of any such consent or other proceedings,
25 conditions, or things.

26 (2) No proceedings for the issuance of bonds, entering into
27 contracts, or incurring of obligations of a city under the Good Life
28 District Economic Development Act shall be required other than those
29 required by the Good Life District Economic Development Act; and the
30 provisions of all other laws and city charters, if any, relative to the
31 terms and conditions for the issuance, incurrence, payment, redemption,

1 registration, sale, or delivery of bonds, or entering into contracts, of
2 public bodies, corporations, or political subdivisions of this state
3 shall not be applicable to bonds, contracts, or other obligations issued
4 or entered into pursuant to the Good Life District Economic Development
5 Act.

6 Sec. 20. In any suit, action, or proceeding involving the validity
7 or enforceability of any bonds, contract, or agreement of a city pursuant
8 to the Good Life District Economic Development Act, or the security
9 therefor, brought after the lapse of thirty days after the authorization
10 by the governing body of such city for the issuance of such bonds or
11 entry into such contract or agreement, any such bond, contract or
12 agreement, and the security therefor and provisions therein, reciting in
13 substance that it has been authorized by the city pursuant to the Good
14 Life District Economic Development Act or to provide financing for a good
15 life district economic development program shall be conclusively deemed
16 to have been authorized for such purpose and such bonds, contracts, or
17 agreement, and security therefor and provisions therein, issued or
18 delivered pursuant to such authorization shall be conclusively deemed to
19 have been issued, entered into, provided, and carried out in accordance
20 and compliance with the purposes and provisions of the Good Life District
21 Economic Development Act, and deemed to be valid and binding obligations
22 and agreements of the city for the duration of the term of such
23 obligations and agreements as provided therein. In any suit, action, or
24 proceedings involving the validity or enforceability of any bond of the
25 city issued under the Good Life District Economic Development Act in
26 whole or in part for a redevelopment project or the security therefor,
27 any such bond reciting in substance that it has been issued by the city
28 to aid, in whole or in part, in financing or refinancing a redevelopment
29 project, as herein permitted, shall be conclusively deemed to have been
30 issued for such purpose and such project shall be conclusively deemed to
31 have been planned, located, and carried out in accordance with the

1 purposes and provisions of the Community Development Law.

2 Sec. 21. All bonds of a city issued pursuant to the Good Life
3 District Economic Development Act are declared to be issued for an
4 essential public and governmental purpose and, together with interest
5 thereon and income therefrom, shall be exempt from all taxes.

6 Sec. 22. The State of Nebraska does hereby pledge to and agree with
7 the holders of any bonds issued pursuant to the Good Life District
8 Economic Development Act and with those persons who may enter into
9 contracts with any city pursuant to the act that the state will not
10 alter, impair, or limit the rights thereby vested until the bonds,
11 together with applicable interest, are fully met and discharged and such
12 contracts are fully performed in accordance with the act. Nothing
13 contained in the act shall preclude such alteration, impairment, or
14 limitation if and when adequate provisions are made by law for the
15 protection of the holders of the bonds or persons entering into contracts
16 with a city.

17 Sec. 23. The powers conferred by the Good Life District Economic
18 Development Act shall be in addition and supplemental to the powers
19 conferred by any other law and shall be independent of and in addition to
20 any other provisions of the law of Nebraska, including, without
21 limitation, the Local Option Revenue Act, the Community Development Law,
22 the Local Option Municipal Economic Development Act, and the Good Life
23 Transformational Projects Act. The Good Life District Economic
24 Development Act and all grants of power, authority, rights, or discretion
25 to a city under the act shall be liberally construed, and all incidental
26 powers necessary to carry the act into effect are hereby expressly
27 granted to and conferred upon a city.

28 Insofar as the provisions of the Good Life District Economic
29 Development Act are inconsistent with the provisions of any other law or
30 of any city charter, if any, the provisions of the Good Life District
31 Economic Development Act shall be controlling.

1 Sec. 24. Sections 24 to 31 of this act shall be known and may be
2 cited as the Financial Institution Data Match Act.

3 Sec. 25. For purposes of the Financial Institution Data Match Act:

4 (1) Account means a demand deposit account, checking or negotiable
5 withdrawal order account, savings account, time deposit account, or
6 money-market mutual fund account;

7 (2) Department means the Department of Revenue;

8 (3) Financial institution means every federal or state commercial or
9 savings bank, including savings and loan associations and cooperative
10 banks, federal or state chartered credit unions, benefit associations,
11 insurance companies, safe deposit companies, any money-market mutual fund
12 that meets the requirements of section 851(a) of the Internal Revenue
13 Code and 17 C.F.R. 270.2a-7, any broker, brokerage firm, trust company,
14 or unit investment trust, or any other similar entity doing business or
15 authorized to do business in the State of Nebraska;

16 (4) Match means a comparison by name and social security number or
17 federal employer identification number of a list of tax debtors provided
18 to a financial institution by the department and a list of depositors of
19 any financial institution. Such comparison may be carried out by
20 automated or other means; and

21 (5) Tax debtor means a person liable to pay any delinquent (a) tax,
22 (b) fee, or (c) other type of repayment under any program administered by
23 the Tax Commissioner.

24 Sec. 26. (1) The department shall operate a data match system with
25 each financial institution doing business in the State of Nebraska.

26 (2) Under the data match system, a financial institution shall
27 receive from the department a listing of tax debtors to be used in
28 matches within the financial institution's system. The listing from the
29 department shall include the name and social security number or federal
30 employer identification number of each tax debtor. The financial
31 institution shall receive the listing within thirty days after the end of

1 each calendar quarter subsequent to the operative date of this section.
2 Within thirty days after receiving the listing, the financial institution
3 shall match the listing to its records of accounts held in one or more
4 persons' names which are open accounts or accounts that were closed
5 within the preceding calendar quarter. The financial institution shall
6 provide the department with a match listing of all matches made within
7 five working days of the match. The match listing from the financial
8 institution shall include the name, address, and social security number
9 or federal employer identification number of each tax debtor matched and
10 the balance of each account. The financial institution shall also provide
11 the names and addresses of all other owners of accounts in the match
12 listing as reflected on a signature card or other similar document on
13 file with the financial institution. The financial institution shall
14 submit all match listings by an electronic medium approved by the
15 department.

16 (3) Nothing in this section shall (a) require a financial
17 institution to disclose the account number assigned to the account of any
18 person or (b) serve to encumber the ownership interest of any person in
19 or impact any right of setoff against an account.

20 (4) To maintain the confidentiality of the listing and match
21 listing, the department shall implement appropriate security provisions
22 for the listing and match listing which are as stringent as those
23 established under the federal Tax Information Security Guidelines for
24 Federal, State and Local Agencies.

25 Sec. 27. The department may enter into agreements with financial
26 institutions doing business in this state to operate the data match
27 system described in section 26 of this act. A financial institution may
28 charge a reasonable fee, not to exceed actual cost, to be paid by the
29 department for the service of reporting matches as required by section 26
30 of this act.

31 Sec. 28. (1) The department may contract with one or more vendors

1 to develop the data match system and perform the matches required under
2 section 26 of this act. Vendors entering into a contract with the
3 department pursuant to this section are subject to the requirements and
4 penalties of the confidentiality laws of this state regarding tax
5 information, including, but not limited to, the provisions and penalties
6 in sections 77-2711 and 77-27,119.

7 (2)(a) Within fifteen days after the end of fiscal year 2024-25 and
8 each fiscal year thereafter, the Tax Commissioner shall determine and
9 certify to the State Treasurer the following amounts:

10 (i) The total amount of any fees for services or reimbursements paid
11 by the department or other costs incurred by the department during the
12 previous fiscal year due to the contracts entered into pursuant to this
13 section; and

14 (ii) The total amount of taxes, penalties, and interest collected
15 during the previous fiscal year as a result of contracts entered into
16 pursuant to this section.

17 (b) After receiving such certification, the State Treasurer shall
18 transfer the amount certified under subdivision (2)(a)(i) of this section
19 or two percent of the amount certified under subdivision (2)(a)(ii) of
20 this section, whichever amount is less, from the General Fund to the
21 Department of Revenue Enforcement Fund.

22 (3) The Tax Commissioner shall submit electronically an annual
23 report to the Revenue Committee of the Legislature and the Appropriations
24 Committee of the Legislature on the amount of taxes, penalties, and
25 interest collected during the most recently completed fiscal year as a
26 result of contracts entered into pursuant to this section.

27 Sec. 29. A financial institution receiving information from the
28 department under section 26 of this act and the employees, agents,
29 officers, and directors of the financial institution shall maintain the
30 confidentiality of the information supplied by the department and use
31 such information only for the purposes described in section 26 of this

1 act and shall be subject to the requirements and penalties of the
2 confidentiality laws of this state regarding tax information, including,
3 but not limited to, the provisions and penalties in sections 77-2711 and
4 77-27,119.

5 Sec. 30. (1) A financial institution is not liable under any state
6 or local law to any individual or to the department for disclosure or
7 release of information to the department for the purpose of complying
8 with the requirements of section 26 of this act.

9 (2) The Financial Institution Data Match Act shall not be construed
10 to make a financial institution responsible or liable to any extent for
11 assuring that the department maintains the confidentiality of information
12 disclosed under section 26 of this act.

13 (3) A financial institution is not liable to any extent for failing
14 to disclose to a depositor or account holder that the name, address, and
15 social security number or federal employer identification number of a tax
16 debtor was included in the match listing provided to the department
17 pursuant to section 26 of this act.

18 (4) A financial institution may disclose to its depositors or
19 account holders that the department has the authority to request and
20 obtain certain identifying information on certain depositors or account
21 holders pursuant to the Financial Institution Data Match Act for state
22 tax collection purposes.

23 Sec. 31. The department may adopt and promulgate rules and
24 regulations to carry out the Financial Institution Data Match Act.

25 Sec. 32. (1) For purposes of this section:

26 (a) Community development corporation means a private, nonprofit
27 corporation whose board of directors is comprised of business, civic, and
28 community leaders, and whose principal purpose includes the provision of
29 low-income housing or community economic development projects that
30 primarily benefit low-income individuals and communities;

31 (b) Community development organization means a private, nonprofit

1 organization that works to improve the social, economic, and
2 environmental well-being of a specific geographic area or community.
3 Community development organizations focus on grassroots efforts and
4 community engagement to address local needs and promote sustainable
5 development. Community development organizations may engage in a wide
6 range of activities, including, but not limited to, affordable housing,
7 economic development, education and training, community engagement,
8 health and social services, environmental sustainability, civic
9 engagement, infrastructure development, and cultural and recreational
10 activities;

11 (c) Covered nonprofit organization means any community development
12 corporation, community development organization, or economic development
13 corporation. The term does not include any political subdivision of the
14 state;

15 (d) Department means the Department of Economic Development;

16 (e) Director means the Director of Economic Development;

17 (f) Economic development corporation means a private, nonprofit
18 corporation whose primary goal is the promotion of economic growth, job
19 creation, and overall economic prosperity within a specific geographic
20 area. Economic development corporations may engage in a wide range of
21 activities, including, but not limited to, promoting business growth,
22 supporting entrepreneurship, attracting investment, workforce
23 development, infrastructure development, industry cluster development,
24 and industry collaboration and advocacy;

25 (g) High-poverty area means an area consisting of one or more
26 contiguous census tracts, as determined by the most recent federal
27 decennial census, which contain a percentage of persons with incomes
28 below the poverty line of greater than thirty percent, and all census
29 tracts contiguous to such tract or tracts, as determined by the most
30 recent federal decennial census;

31 (h) Market value means the fair market value of real property as

1 determined by an independent appraisal; and

2 (i) Underutilized tax-exempt property means any real property in
3 this state that (i) is exempt from property taxes and (ii) is completely
4 undeveloped or contains deteriorating structures.

5 (2)(a) A covered nonprofit organization that owns or acquires
6 underutilized tax-exempt property located within a high-poverty area
7 shall develop such property within three years after the operative date
8 of this section or the date of acquiring such property, whichever is
9 later. Such development must:

10 (i) Increase the market value of the property by at least twenty-
11 five percent; and

12 (ii) Result in the creation of new jobs or the starting of a new
13 business on such property.

14 (b) The covered nonprofit organization shall electronically submit a
15 development plan for the underutilized tax-exempt property to the
16 department, the Clerk of the Legislature, and the chairperson of the
17 Urban Affairs Committee of the Legislature within ninety days after the
18 operative date of this section or the date of acquiring the property,
19 whichever is later. The development plan shall include a description of
20 the proposed development and an estimated timeline for such development.

21 (c)(i) If a covered nonprofit organization fails to develop the
22 property within the three-year period described in subdivision (a) of
23 this subsection, the director shall, following notice and opportunity for
24 hearing in accordance with the Administrative Procedure Act, impose a
25 fine equal to the amount of property taxes that would be owed for such
26 property if the property had not been tax-exempt or ten thousand dollars,
27 whichever is greater.

28 (ii) If the failure to develop the property persists for twelve
29 months after the end of the three-year period described in subdivision
30 (a) of this subsection, the director shall, following notice and
31 opportunity for hearing in accordance with the Administrative Procedure

1 Act, impose a fine equal to the amount of property taxes that would be
2 owed for such property if the property had not been tax-exempt or twenty
3 thousand dollars, whichever is greater.

4 (iii) If the failure to develop the property persists for twenty-
5 four months after the end of the three-year period described in
6 subdivision (a) of this subsection, the director shall, following notice
7 and opportunity for hearing in accordance with the Administrative
8 Procedure Act, make a written recommendation to the county board of
9 equalization in the county where the property is located that the
10 property tax exemption be revoked for the underutilized tax-exempt
11 property.

12 (d) If any covered nonprofit organization transfers ownership of
13 underutilized tax-exempt property located within a high-poverty area to
14 another covered nonprofit organization, the time periods prescribed in
15 this subsection shall not be restarted. Such periods shall be determined
16 as if no transfer occurred.

17 (3)(a) A covered nonprofit organization that owns or acquires
18 underutilized tax-exempt property located within a high-poverty area
19 shall not attempt to sell such property at a price that is more than
20 fifty percent above the market value for such property.

21 (b) If a covered nonprofit organization violates subdivision (a) of
22 this subsection, the director shall, following notice and opportunity for
23 hearing in accordance with the Administrative Procedure Act, revoke the
24 property tax exemption for the underutilized tax-exempt property.

25 (4) All money collected as a fine under this section shall be
26 remitted to the State Treasurer for distribution in accordance with
27 Article VII, section 5, of the Constitution of Nebraska.

28 (5) The department may adopt and promulgate rules and regulations to
29 carry out this section.

30 Sec. 33. Sections 33 to 45 of this act shall be known and may be
31 cited as the Gambling Winnings Setoff for Outstanding Debt Act.

1 Sec. 34. The purposes of the Gambling Winnings Setoff for
2 Outstanding Debt Act are to:

3 (1) Establish and maintain a procedure to set off against an
4 obligor's casino winnings, parimutuel winnings, sports wagering winnings,
5 or cash device winnings any debt (a) that is assigned to the Department
6 of Health and Human Services or that any individual not eligible as a
7 public assistance recipient is attempting to collect through the Title
8 IV-D child support enforcement program, (b) that has accrued through
9 written contract, subrogation, or court judgment, and (c) that is in the
10 form of a liquidated amount due and owing for the care, support, or
11 maintenance of a child or for medical or spousal support; and

12 (2) Establish and maintain a procedure to set off against a
13 taxpayer's casino winnings, parimutuel winnings, sports wagering
14 winnings, or cash device winnings the amount of such taxpayer's
15 outstanding state tax liability as determined by the Department of
16 Revenue.

17 Sec. 35. For purposes of the Gambling Winnings Setoff for
18 Outstanding Debt Act, unless the context otherwise requires:

19 (1) Applicable winnings means any casino winnings, parimutuel
20 winnings, sports wagering winnings, or cash device winnings;

21 (2) Cash device winnings means any cash prize won by a player of a
22 cash device as defined in section 77-3001 that requires the operator,
23 distributor, or manufacturer of such cash device to provide the player
24 with an Internal Revenue Service Form 1099;

25 (3) Casino winnings means any winnings that are required to be
26 reported on Internal Revenue Service Form W-2G won by a player from a
27 game of chance at a licensed racetrack enclosure under the jurisdiction
28 of the State Racing and Gaming Commission;

29 (4) Claimant means:

30 (a) The Department of Health and Human Services with respect to
31 collection of a debt owed by a parent in a case involving a recipient of

1 aid to dependent children in which rights to child, spousal, or medical
2 support payments have been assigned to this state;

3 (b) An individual who is not eligible as a public assistance
4 recipient and to whom a debt is owed that the individual is attempting to
5 collect through the Title IV-D child support enforcement program; or

6 (c) Any person or entity entitled to receive child support, spousal
7 support, or medical support as defined in section 43-1712.01 pursuant to
8 an order issued by a court or agency of another state or jurisdiction,
9 including an agency of another state or jurisdiction to which a person
10 has assigned his or her right to receive such support. Such a claimant
11 shall submit certification and documentation to the Department of Health
12 and Human Services sufficient to satisfy the requirements of section
13 43-1730;

14 (5) Collection system means the collection system developed and
15 implemented pursuant to section 36 of this act;

16 (6) Debt means any liquidated amount of arrears that has accrued
17 through assignment, contract, subrogation, court judgment, or operation
18 of law, regardless of whether there is an outstanding judgment for such
19 amount, and that is for the care, support, or maintenance of a child or
20 for medical or spousal support;

21 (7) Net winnings payment means the winnings payment amount minus the
22 debt and outstanding state tax liability balance;

23 (8) Obligor means any individual (a) owing money to or having a
24 delinquent account with any claimant that has not been satisfied by court
25 order, set aside by court order, or discharged in bankruptcy or (b) owing
26 money on an outstanding state tax liability;

27 (9) Operator means an authorized gaming operator as defined in
28 section 9-1103, any corporation or association licensed under sections
29 2-1201 to 2-1218 and authorized to conduct parimutuel wagering at a
30 licensed racetrack, and any operator, distributor, or manufacturer of a
31 cash device licensed under the Mechanical Amusement Device Tax Act;

1 (10) Outstanding state tax liability means any liability arising
2 from any tax or fee, including penalties and interest, under any tax
3 program administered by the Tax Commissioner, Department of Labor, or
4 Department of Motor Vehicles;

5 (11) Parimutuel winnings means any winnings that are required to be
6 reported on Internal Revenue Service Form W-2G and have tax withheld by
7 the operator and that are won by a player from a parimutuel wager at a
8 licensed racetrack under the jurisdiction of the State Racing and Gaming
9 Commission;

10 (12) Sports wagering winnings means any winnings that are required
11 to be reported on Internal Revenue Service Form W-2G and have tax
12 withheld by the operator and that are won by a player from sports
13 wagering as defined in section 9-1103 on a sports wager authorized by the
14 State Racing and Gaming Commission;

15 (13) Spousal support has the same meaning as in section 43-1715; and

16 (14) Winnings payment means a payout of casino winnings, parimutuel
17 winnings, sports wagering winnings, or cash device winnings to which an
18 individual is entitled as a result of playing or wagering.

19 Sec. 36. (1)(a) The Department of Revenue, in consultation with the
20 Department of Health and Human Services, shall develop and implement a
21 secure, electronic collection system to carry out the purposes of the
22 Gambling Winnings Setoff for Outstanding Debt Act.

23 (b) The collection system shall include access to the name of an
24 obligor, the social security number of an obligor, and any other
25 information that assists the operator in identifying an obligor. The
26 collection system shall inform the operator of the total amount owed
27 without detailing the source of any of the amounts owed.

28 (2) The Department of Health and Human Services may submit any
29 certified debt of twenty-five dollars or more to the collection system
30 except when the validity of the debt is legitimately in dispute. The
31 submission of debts of past-due support shall be a continuous process

1 that allows the amount of debt to fluctuate up or down depending on the
2 actual amount owed.

3 (3) The Department of Revenue may submit to the collection system
4 any amount of outstanding state tax liability owed by a taxpayer except
5 when the validity of the outstanding state tax liability is legitimately
6 in dispute. The inclusion of outstanding state tax liability in the
7 amount owed shall be a continuous process that allows the amount owed to
8 fluctuate up or down depending on the actual amount of outstanding state
9 tax liability owed.

10 (4) If the name of the obligor is retrieved from the collection
11 system by the operator, the retrieval of such name shall be evidence of a
12 valid lien upon and claim of lien against any applicable winnings of the
13 obligor whose name is electronically retrieved from the collection
14 system. If an obligor's applicable winnings are required to be set off
15 pursuant to the Gambling Winnings Setoff for Outstanding Debt Act, the
16 full amount of the debt and outstanding state tax liability shall be
17 collected from any applicable winnings due the obligor.

18 (5) The information obtained by an operator from the collection
19 system in accordance with this section shall retain its confidentiality
20 and shall only be used by the operator for the purposes of complying with
21 the Gambling Winnings Setoff for Outstanding Debt Act. An employee or
22 prior employee of an operator who unlawfully discloses any such
23 information for any other purpose, except as otherwise specifically
24 authorized by law, shall be subject to the same penalties specified by
25 law for unauthorized disclosure of confidential information by an agent
26 or employee of the operator.

27 (6) The information obtained by the Department of Health and Human
28 Services or the Department of Revenue from the operator in accordance
29 with this section shall retain its confidentiality and shall only be used
30 by either department in the pursuit of such department's debt or
31 outstanding state tax liability collection duties and practices. An

1 employee or prior employee of the Department of Health and Human Services
2 or the Department of Revenue who unlawfully discloses any such
3 information for any other purpose, except as specifically authorized by
4 law, shall be subject to the penalties specified by law for unauthorized
5 disclosure of confidential information by an agent or employee of either
6 such department.

7 (7) The amount of debt and outstanding state tax liability owed
8 shall be prima facie evidence of the validity of the liability.

9 Sec. 37. (1) Beginning on the applicable implementation date
10 designated by the Tax Commissioner pursuant to subsection (1) or (2) of
11 section 44 of this act, prior to making a winnings payment, an operator
12 shall check the collection system to determine if there is a debt or an
13 outstanding state tax liability owed by the winner. An operator shall
14 have access to the collection system to look up winners that are due
15 winnings payments for purposes of complying with the Gambling Winnings
16 Setoff for Outstanding Debt Act. An operator shall not access the system
17 for any other purpose.

18 (2)(a) An operator at a licensed racetrack enclosure or licensed
19 racetrack that fails to check the collection system for a debt or an
20 outstanding state tax liability or fails to collect the amounts owed
21 shall be subject to a fine by the State Racing and Gaming Commission of
22 not more than ten thousand dollars.

23 (b) The State Racing and Gaming Commission shall establish a
24 schedule for fines pursuant to this section that considers both the
25 proportionality of the offense and the number of instances of past
26 offenses.

27 (3) An operator licensed by the Department of Revenue that fails to
28 check the collection system for a debt or an outstanding state tax
29 liability or collect the amounts owed may be considered in violation of
30 such license and subject to any penalties authorized for a violation of
31 the license under the Mechanical Amusement Device Tax Act.

1 Sec. 38. (1) Beginning on the applicable implementation date
2 designated by the Tax Commissioner pursuant to subsection (1) or (2) of
3 section 44 of this act, prior to making a winnings payment and after the
4 operator has checked the collection system as provided in section 37 of
5 this act, the operator shall deduct the amount of debt and outstanding
6 state tax liability identified in the collection system from the winnings
7 payment and shall remit the net winnings payment, if any, to the winner
8 and the amount deducted to the Department of Revenue in a manner
9 prescribed by the department.

10 (2) If an operator determines that an obligor identified using the
11 collection system is entitled to a winnings payment, the operator shall
12 notify the Department of Revenue in a manner prescribed by the department
13 that a balance of debt or outstanding state tax liability owed by the
14 winner is being remitted to the department.

15 (3) The Department of Revenue shall first credit any such winnings
16 payment against any debt of such winner certified by the Department of
17 Health and Human Services until such debt is satisfied and then against
18 any outstanding state tax liability owed by such winner until such
19 liability is satisfied on a pro rata basis.

20 Sec. 39. (1) Within twenty days after a remittance pursuant to
21 section 38 of this act due to an outstanding state tax liability, the
22 Department of Revenue shall notify the winner of the remittance. The
23 notice shall state (a) the basis for the claim to the outstanding state
24 tax liability by the Department of Revenue, (b) the application of the
25 winnings payment against the outstanding state tax liability of the
26 obligor, (c) the obligor's opportunity to give written notice of intent
27 to contest the validity of the claim before the Department of Revenue
28 within thirty days after the date of the mailing of the notice, (d) the
29 mailing address to which the request must be sent, and (e) that a failure
30 to contest the claim in writing within the thirty-day period will be
31 deemed a waiver of the opportunity to contest the claim resulting in a

1 setoff by default.

2 (2)(a) Within twenty days after notification from the Department of
3 Revenue of a remittance pursuant to section 38 of this act due to owing a
4 debt certified by the Department of Health and Human Services, the
5 Department of Health and Human Services shall send written notification
6 to the obligor of an assertion of its rights, or of the rights of an
7 individual not eligible as a public assistance recipient, to all or a
8 portion of the obligor's winnings payment.

9 (b) The written notification shall clearly set forth (i) the basis
10 for the claim to the winnings payment, (ii) the intention to apply the
11 winnings payment against the debt owed to a claimant, (iii) the obligor's
12 opportunity to give written notice of intent to contest the validity of
13 the claim before the Department of Health and Human Services within
14 thirty days after the date of the mailing of the notice, (iv) the mailing
15 address to which the request for a hearing must be sent, and (v) that
16 failure to apply for a hearing in writing within the thirty-day period
17 will be deemed a waiver of the opportunity to contest the claim resulting
18 in a setoff by default.

19 Sec. 40. (1)(a) A written request by a winner pursuant to
20 subsection (1) of section 39 of this act shall be effective upon mailing
21 the request, postage prepaid and properly addressed, to the Department of
22 Revenue.

23 (b) Any appeal or action taken as a result of a decision pursuant to
24 subdivision (1)(a) of this section shall be in accordance with the
25 Administrative Procedure Act.

26 (2)(a) A written request for a hearing by a winner pursuant to
27 subsection (2) of section 39 of this act shall be effective upon mailing
28 the request, postage prepaid and properly addressed, to the Department of
29 Health and Human Services.

30 (b) If the Department of Health and Human Services receives a
31 written request for a hearing contesting a claim, the department shall

1 grant a hearing to the obligor to determine whether the claim is valid.
2 If the amount asserted as due and owing is not correct, an adjustment to
3 the claimed amount shall be made. No issues shall be reconsidered at the
4 hearing which have been previously litigated.

5 (c) Any appeal of an action taken at or as a result of a hearing
6 held pursuant to subdivision (2)(b) of this section shall be in
7 accordance with the Administrative Procedure Act.

8 Sec. 41. The collection remedy authorized by the Gambling Winnings
9 Setoff for Outstanding Debt Act is in addition to and not in substitution
10 for any other remedy available by law.

11 Sec. 42. An operator, acting in good faith, shall not be liable to
12 any person for actions taken pursuant to the Gambling Winnings Setoff for
13 Outstanding Debt Act. Neither the State Racing and Gaming Commission nor
14 the Department of Revenue shall initiate any administrative action or
15 impose penalties on an operator who voluntarily reports to the commission
16 activity described in section 43 of this act.

17 Sec. 43. Any person who knowingly or intentionally attempts to
18 avoid the application of a setoff under the Gambling Winnings Setoff for
19 Outstanding Debt Act by passing any applicable winnings to another person
20 to present for a cash payout or by providing fraudulent identification
21 during a cash payout is guilty of a Class I misdemeanor.

22 Sec. 44. (1) The Tax Commissioner shall designate an implementation
23 date for the required use by operators of the collection system developed
24 pursuant to section 36 of this act prior to making a winnings payment for
25 casino winnings, parimutuel winnings, or sports wagering winnings, which
26 date shall be on or after January 1, 2025, but on or before January 1,
27 2026. The Tax Commissioner shall provide at least ninety days' notice of
28 the implementation date on the Department of Revenue's website before
29 such implementation date goes into effect.

30 (2) The Tax Commissioner shall designate an implementation date for
31 the required use by operators of the collection system developed pursuant

1 to section 36 of this act prior to making a winnings payment for cash
2 device winnings, which date shall be on or after January 1, 2025, and
3 after the establishment of the control server by the Department of
4 Revenue to receive data and accurate revenue and income reporting from
5 cash devices pursuant to the Mechanical Amusement Device Tax Act, but on
6 or before January 1, 2027. The Tax Commissioner shall provide at least
7 ninety days' notice of the implementation date on the Department of
8 Revenue's website before such implementation date goes into effect.

9 Sec. 45. The Department of Health and Human Services, the
10 Department of Revenue, and the State Racing and Gaming Commission may
11 adopt and promulgate rules and regulations to carry out the Gambling
12 Winnings Setoff for Outstanding Debt Act.

13 Sec. 46. Section 2-1207, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 2-1207 (1) Within the enclosure of any racetrack where a race or
16 race meeting licensed and conducted under sections 2-1201 to 2-1218 is
17 held or at a racetrack licensed to simulcast races or conduct interstate
18 simulcasting, the parimutuel method or system of wagering on the results
19 of the respective races may be used and conducted by the licensee. Under
20 such system, the licensee may receive wagers of money from any person
21 present at such race or racetrack receiving the simulcast race or
22 conducting interstate simulcasting on any horse in a race selected by
23 such person to run first in such race, and the person so wagering shall
24 acquire an interest in the total money so wagered on all horses in such
25 race as first winners in proportion to the amount of money wagered by him
26 or her. Such licensee shall issue to each person so wagering a
27 certificate on which shall be shown the number of the race, the amount
28 wagered, and the number or name of the horse selected by such person as
29 first winner. As each race is run, at the option of the licensee, the
30 licensee may deduct from the total sum wagered on all horses as first
31 winners not less than fifteen percent or more than eighteen percent from

1 such total sum, plus the odd cents of the redistribution over the next
2 lower multiple of ten. At the option of the licensee, the licensee may
3 deduct up to and including twenty-five percent from the total sum wagered
4 by exotic wagers as defined in section 2-1208.03. The commission may
5 authorize other levels of deduction on wagers conducted by means of
6 interstate simulcasting. The licensee shall notify the commission in
7 writing of the percentages the licensee intends to deduct during the live
8 race meet conducted by the licensee and shall notify the commission at
9 least one week in advance of any changes to such percentages the licensee
10 intends to make. The licensee shall also deduct from the total sum
11 wagered by exotic wagers, if any, the tax plus the odd cents of the
12 redistribution over the next multiple of ten as provided in subsection
13 (1) of section 2-1208.04. The balance remaining on hand shall be paid out
14 to the holders of certificates on the winning horse in the proportion
15 that the amount wagered by each certificate holder bears to the total
16 amount wagered on all horses in such race to run first. The licensee may
17 likewise receive such wagers on horses selected to run second, third, or
18 both, or in such combinations as the commission may authorize, the
19 method, procedure, and authority and right of the licensee, as well as
20 the deduction allowed to the licensee, to be as specified with respect to
21 wagers upon horses selected to run first.

22 (2) At all race meets held pursuant to this section, the licensee
23 shall deduct from the total sum wagered one-third of the amount over
24 fifteen percent deducted pursuant to subsection (1) of this section on
25 wagers on horses selected to run first, second, or third and one percent
26 of all exotic wagers to be used to promote agriculture and horse breeding
27 in Nebraska and for the support and preservation of horseracing pursuant
28 to section 2-1207.01.

29 (3) No person under twenty-one years of age shall be permitted to
30 make any parimutuel wager, and there shall be no wagering on horseracing
31 except under the parimutuel method outlined in this section. Any person,

1 association, or corporation who knowingly aids or abets a person under
2 twenty-one years of age in making a parimutuel wager shall be guilty of a
3 Class I misdemeanor.

4 (4) Beginning on the implementation date designated by the Tax
5 Commissioner pursuant to subsection (1) of section 44 of this act, prior
6 to the winnings payment of any parimutuel winnings as defined in section
7 35 of this act, an authorized gaming operator or licensee licensed to
8 conduct parimutuel wagering shall check the collection system to
9 determine if the winner has a debt or an outstanding state tax liability
10 as required by the Gambling Winnings Setoff for Outstanding Debt Act. If
11 such authorized gaming operator or licensee determines that the winner is
12 subject to the collection system, the operator shall deduct the amount of
13 debt and outstanding state tax liability identified in the collection
14 system from the winnings payment and shall remit the net winnings payment
15 of parimutuel winnings, if any, to the winner and the amount deducted to
16 the Department of Revenue to be credited against such debt or outstanding
17 state tax liability as provided in section 38 of this act.

18 Sec. 47. Section 9-810, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 9-810 (1) A person under nineteen years of age shall not purchase a
21 lottery ticket. No lottery ticket shall be sold to any person under
22 nineteen years of age. No person shall purchase a lottery ticket for a
23 person under nineteen years of age, and no person shall purchase a
24 lottery ticket for the benefit of a person under nineteen years of age.

25 (2) No lottery ticket shall be sold and no prize shall be awarded to
26 the Tax Commissioner, the director, or any employee of the division or
27 any spouse, child, brother, sister, or parent residing as a member of the
28 same household in the principal place of abode of the Tax Commissioner,
29 the director, or any employee of the division.

30 (3) With respect to a lottery game retailer under contract to sell
31 lottery tickets whose rental payment for premises is contractually

1 computed in whole or in part on the basis of a percentage of retail sales
2 and when the computation of retail sales is not explicitly defined to
3 include the sale of lottery tickets, the amount of retail sales for
4 lottery tickets by the retailer for purposes of such a computation may
5 not exceed the amount of compensation received by the retailer from the
6 division.

7 (4) Once any prize is awarded in conformance with the State Lottery
8 Act and any rules and regulations adopted under the act, the state shall
9 have no further liability with respect to that prize.

10 (5) Prior to the payment of any lottery prize in excess of five
11 hundred dollars for a winning lottery ticket presented for redemption to
12 the division, the division shall check the name and social security
13 number of the winner with a list provided by the Department of Revenue of
14 people identified as having an outstanding state tax liability and a list
15 of people certified by the Department of Health and Human Services as
16 owing a debt as defined in section 77-27,161. The division shall credit
17 any such lottery prize against any outstanding state tax liability owed
18 by such winner and the balance of such prize amount, if any, shall be
19 paid to the winner by the division. The division shall credit any such
20 lottery prize against any certified debt in the manner set forth in
21 sections 77-27,160 to 77-27,173. If the winner has both an outstanding
22 state tax liability and a certified debt, the division shall first credit
23 any such lottery prize against any certified debt in the manner set forth
24 in sections 77-27,160 to 77-27,173 until such debt is satisfied and then
25 against any outstanding state tax liability until such liability is
26 satisfied ~~add the liability and the debt together and pay the appropriate~~
27 ~~agency or person a share of the prize in the proportion that the~~
28 ~~liability or debt owed to the agency or person is to the total liability~~
29 ~~and debt.~~

30 Sec. 48. Section 9-1104, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 9-1104 (1) The operation of games of chance at a licensed racetrack
2 enclosure may be conducted by an authorized gaming operator who holds an
3 authorized gaming operator license.

4 (2) No more than one authorized gaming operator license shall be
5 granted for each licensed racetrack enclosure within the state. It shall
6 not be a requirement that the person or entity applying for or to be
7 granted such authorized gaming operator license hold a racing license or
8 be the same person or entity who operates the licensed racetrack
9 enclosure at which such authorized gaming operator license shall be
10 granted.

11 (3) Gaming devices, limited gaming devices, and all other games of
12 chance may be operated by authorized gaming operators at a licensed
13 racetrack enclosure.

14 (4) No person younger than twenty-one years of age shall play or
15 participate in any way in any game of chance or use any gaming device or
16 limited gaming device at a licensed racetrack enclosure.

17 (5) No authorized gaming operator shall permit an individual younger
18 than twenty-one years of age to play or participate in any game of chance
19 or use any gaming device or limited gaming device conducted or operated
20 pursuant to the Nebraska Racetrack Gaming Act.

21 (6) If the licensed racetrack enclosure at which such authorized
22 gaming operator conducts games of chance does not hold the minimum number
23 of live racing meets required under section 2-1205, the authorized gaming
24 operator shall be required to cease operating games of chance at such
25 licensed racetrack enclosure until such time as the commission determines
26 the deficiency has been corrected.

27 (7) Beginning on the implementation date designated by the Tax
28 Commissioner pursuant to subsection (1) of section 44 of this act, prior
29 to the winnings payment of any casino winnings as defined in section 35
30 of this act, an authorized gaming operator shall check the collection
31 system to determine if the winner has a debt or an outstanding state tax

1 liability as required by the Gambling Winnings Setoff for Outstanding
2 Debt Act. If such authorized gaming operator determines that the winner
3 is subject to the collection system, the operator shall deduct the amount
4 of debt and outstanding state tax liability identified in the collection
5 system from the winnings payment and shall remit the net winnings payment
6 of casino winnings, if any, to the winner and the amount deducted to the
7 Department of Revenue to be credited against such debt or outstanding
8 state tax liability as provided in section 38 of this act.

9 Sec. 49. Section 9-1110, Revised Statutes Supplement, 2023, is
10 amended to read:

11 9-1110 (1) The commission may permit an authorized gaming operator
12 to conduct sports wagering. Any sports wager shall be placed in person or
13 at a wagering kiosk in the designated sports wagering area at the
14 licensed racetrack enclosure. A parimutuel wager in accordance with
15 sections 2-1201 to 2-1218 may be placed in the designated sports wagering
16 area at the licensed racetrack enclosure. An individual employed and
17 authorized to accept a sports wager may also accept a parimutuel wager.

18 (2) A floor plan identifying the designated sports wagering area,
19 including the location of any wagering kiosks, shall be filed with the
20 commission for review and approval. Modification to a previously approved
21 plan must be submitted for approval at least ten days prior to
22 implementation. The area shall not be accessible to persons under twenty-
23 one years of age and shall have a sign posted to restrict access.
24 Exceptions to this subsection must be approved in writing by the
25 commission.

26 (3) The authorized gaming operator shall submit controls for
27 approval by the commission, that include the following for operating the
28 designated sports wagering area:

29 (a) Specific procedures and technology partners to fulfill the
30 requirements set forth by the commission;

31 (b) Other specific controls as designated by the commission;

1 (c) A process to easily and prominently impose limitations or
2 notification for wagering parameters, including, but not limited to,
3 deposits and wagers; and

4 (d) An easy and obvious method for a player to make a complaint and
5 to enable the player to notify the commission if such complaint has not
6 been or cannot be addressed by the sports wagering operator.

7 (4) The commission shall develop policies and procedures to ensure a
8 prohibited participant is unable to place a sports wager or parimutuel
9 wager.

10 (5) Beginning on the implementation date designated by the Tax
11 Commissioner pursuant to subsection (1) of section 44 of this act, prior
12 to the winnings payment of any sports wagering winnings as defined in
13 section 35 of this act, an authorized gaming operator shall check the
14 collection system to determine if the winner has a debt or an outstanding
15 state tax liability as required by the Gambling Winnings Setoff for
16 Outstanding Debt Act. If such authorized gaming operator determines that
17 the winner is subject to the collection system, the operator shall deduct
18 the amount of debt and outstanding state tax liability identified in the
19 collection system from the winnings payment and shall remit the net
20 winnings payment of sports wagering winnings, if any, to the winner and
21 the amount deducted to the Department of Revenue to be credited against
22 such debt or outstanding state tax liability as provided in section 38 of
23 this act.

24 Sec. 50. Section 13-520, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 13-520 The limitations in section 13-519 shall not apply to (1)
27 restricted funds budgeted for capital improvements, (2) restricted funds
28 expended from a qualified sinking fund for acquisition or replacement of
29 tangible personal property with a useful life of five years or more, (3)
30 restricted funds pledged to retire bonds as defined in subdivision (1) of
31 section 10-134 and approved according to law, (4) restricted funds used

1 by a public airport to retire interest-free loans from the Division of
2 Aeronautics of the Department of Transportation in lieu of bonded
3 indebtedness at a lower cost to the public airport, (5) restricted funds
4 budgeted in support of a service which is the subject of an agreement or
5 a modification of an existing agreement whether operated by one of the
6 parties to the agreement or by an independent joint entity or joint
7 public agency, (6) restricted funds budgeted to pay for repairs to
8 infrastructure damaged by a natural disaster which is declared a disaster
9 emergency pursuant to the Emergency Management Act, (7) restricted funds
10 budgeted to pay for judgments, except judgments or orders from the
11 Commission of Industrial Relations, obtained against a governmental unit
12 which require or obligate a governmental unit to pay such judgment, to
13 the extent such judgment is not paid by liability insurance coverage of a
14 governmental unit, (8) restricted funds budgeted to pay benefits under
15 the Firefighter Cancer Benefits Act, ~~or~~ (9) the dollar amount by which
16 restricted funds budgeted by a natural resources district to administer
17 and implement ground water management activities and integrated
18 management activities under the Nebraska Ground Water Management and
19 Protection Act exceed its restricted funds budgeted to administer and
20 implement ground water management activities and integrated management
21 activities for FY2003-04, or (10) restricted funds equal to the amount of
22 local option sales and use tax budgeted to be collected within a good
23 life district established pursuant to section 77-4405.

24 Sec. 51. Section 13-3102, Revised Statutes Supplement, 2023, is
25 amended to read:

26 13-3102 For purposes of the Sports Arena Facility Financing
27 Assistance Act:

28 (1) Applicant means:

29 (a) A political subdivision; or

30 (b) A political subdivision and nonprofit organization that jointly
31 submit an application under the act;

1 (2) Board means a board consisting of the Governor, the State
2 Treasurer, the chairperson of the Nebraska Investment Council, the
3 chairperson of the Nebraska State Board of Public Accountancy, and a
4 professor of economics on the faculty of a state postsecondary
5 educational institution appointed to a two-year term on the board by the
6 Coordinating Commission for Postsecondary Education. For administrative
7 and budget purposes only, the board shall be considered part of the
8 Department of Revenue;

9 (3) Bond means a general obligation bond, redevelopment bond, lease-
10 purchase bond, revenue bond, or combination of any such bonds;

11 (4) Concert venue means any enclosed, temperature-controlled
12 building that is primarily used for live performances with an indoor
13 capacity of at least two thousand two hundred fifty but no more than
14 three thousand five hundred persons;

15 (5) Court means a rectangular hard surface primarily used indoors
16 for competitive sports, including, but not limited to, basketball,
17 volleyball, or tennis;

18 (6) Covered property means any real property that, as of the date an
19 application for state assistance is submitted under the Sports Arena
20 Facility Financing Assistance Act, is part of:

21 (a) A project previously approved under the Sports Arena Facility
22 Financing Assistance Act, including the program area associated with such
23 project; or

24 (b) A project previously approved under the Convention Center
25 Facility Financing Assistance Act, including the area used in determining
26 an associated hotel as defined in section 13-2603 for such project;

27 ~~(7)~~ (6) Date that the project commenced means the date when a
28 project starts as specified by a contract, resolution, or formal public
29 announcement;

30 ~~(8)~~ (7) Economic redevelopment area means an area in the State of
31 Nebraska in which:

1 (a) The average rate of unemployment in the area during the period
2 covered by the most recent federal decennial census or American Community
3 Survey 5-Year Estimate by the United States Bureau of the Census is at
4 least one hundred fifty percent of the average rate of unemployment in
5 the state during the same period; and

6 (b) The average poverty rate in the area is twenty percent or more
7 for the federal census tract in the area;

8 (9) ~~(8)~~ Eligible sports arena facility means:

9 (a) Any publicly owned, enclosed, and temperature-controlled
10 building primarily used for sports that has a permanent seating capacity
11 of at least three thousand but no more than seven thousand seats and in
12 which initial occupancy occurs on or after July 1, 2010, including
13 stadiums, arenas, dressing and locker facilities, concession areas,
14 parking facilities, nearby parking facilities for the use of the eligible
15 sports arena facility, and onsite administrative offices connected with
16 operating the facilities;

17 (b) Any racetrack enclosure licensed by the State Racing and Gaming
18 Commission in which initial occupancy occurs on or after July 1, 2010,
19 including concession areas, parking facilities, and onsite administrative
20 offices connected with operating the racetrack;

21 (c) Any sports complex, including concession areas, parking
22 facilities, and onsite administrative offices connected with operating
23 the sports complex; ~~and~~

24 (d) Any privately owned concert venue, including stages, dressing
25 rooms, concession areas, parking facilities, lobby areas, and onsite
26 administrative offices used in operating the concert venue; and

27 (e) Any large public stadium in which initial occupancy occurs on or
28 after March 1, 2025, including dressing and locker facilities, concession
29 areas, parking facilities, nearby parking facilities for the use of the
30 stadium, and onsite administrative offices connected with operating the
31 stadium;

1 ~~(10)~~ ~~(9)~~ General obligation bond means any bond or refunding bond
2 issued by a political subdivision and which is payable from the proceeds
3 of an ad valorem tax;

4 ~~(11)~~ ~~(10)~~ Increase in state sales tax revenue means the amount of
5 state sales tax revenue collected by a nearby retailer during the fiscal
6 year for which state assistance is calculated minus the amount of state
7 sales tax revenue collected by the nearby retailer in the fiscal year
8 that ended immediately preceding the project completion date of the
9 eligible sports arena facility, except that the amount of state sales tax
10 revenue of a nearby retailer shall not be less than zero;

11 ~~(12)~~ Large public stadium means an open-air facility that:

12 ~~(a)~~ Is publicly owned or used for governmental purposes;

13 ~~(b)~~ Primarily includes an outdoor field, but may include some indoor
14 areas;

15 ~~(c)~~ Is primarily used for competitive sports;

16 ~~(d)~~ Has at least five thousand five hundred but no more than seven
17 thousand five hundred permanent seats with a capacity not to exceed ten
18 thousand seats; and

19 ~~(e)~~ Is located in a city of the metropolitan class;

20 ~~(13)~~ ~~(11)~~ Multipurpose field means a rectangular field of grass or
21 synthetic turf which is primarily used for competitive field sports,
22 including, but not limited to, soccer, football, flag football, lacrosse,
23 or rugby;

24 ~~(14)~~ ~~(12)~~ Nearby parking facility means any parking lot, parking
25 garage, or other parking structure that is not directly connected to an
26 eligible sports arena facility but which is located, in whole or in part,
27 within seven hundred yards of an eligible sports arena facility, measured
28 from any point of the exterior perimeter of such facility but not from
29 any other parking facility or other structure;

30 ~~(15)~~ ~~(13)~~ Nearby retailer means a retailer as defined in section
31 77-2701.32 that is located within the program area. The term includes a

1 subsequent owner of a nearby retailer operating at the same location;

2 ~~(16)~~ ~~(14)~~ New state sales tax revenue means:

3 (a) For any eligible sports arena facility that is not a sports
4 complex or a large public stadium:

5 (i) One hundred percent of the state sales tax revenue that (A) is
6 collected by a nearby retailer that commenced collecting state sales tax
7 during the period of time beginning twenty-four months prior to the
8 project completion date of the eligible sports arena facility and ending
9 forty-eight months after the project completion date of the eligible
10 sports arena facility or, for applications for state assistance approved
11 prior to October 1, 2016, forty-eight months after October 1, 2016, and
12 (B) is sourced under sections 77-2703.01 to 77-2703.04 to the program
13 area; and

14 (ii) The increase in state sales tax revenue that (A) is collected
15 by a nearby retailer that commenced collecting state sales tax prior to
16 twenty-four months prior to the project completion date of the eligible
17 sports arena facility and (B) is sourced under sections 77-2703.01 to
18 77-2703.04 to the program area; or

19 (b) For any eligible sports arena facility that is a sports complex
20 or a large public stadium, one hundred percent of the state sales tax
21 revenue that (i) is collected by a nearby retailer that commenced
22 collecting state sales tax during the period of time beginning on the
23 date that the project commenced and ending forty-eight months after the
24 project completion date of the eligible sports arena facility and (ii) is
25 sourced under sections 77-2703.01 to 77-2703.04 to the program area;

26 ~~(17)~~ ~~(15)~~ Political subdivision means any city, village, or county;

27 ~~(18)~~ ~~(16)~~ Program area means:

28 (a) For any eligible sports arena facility that is not a sports
29 complex or a large public stadium:

30 (i) For applications for state assistance submitted prior to October
31 1, 2016, the area that is located within six hundred yards of an eligible

1 sports arena facility, measured from any point of the exterior perimeter
2 of the facility but not from any parking facility or other structure; or

3 (ii) For applications for state assistance submitted on or after
4 October 1, 2016, the area that is located within six hundred yards of an
5 eligible sports arena facility, measured from any point of the exterior
6 perimeter of the facility but not from any parking facility or other
7 structure, except that if twenty-five percent or more of such area is
8 unbuildable property, then the program area shall be adjusted so that:

9 (A) It avoids as much of the unbuildable property as is practical;
10 and

11 (B) It contains contiguous property with the same total amount of
12 square footage that the program area would have contained had no
13 adjustment been necessary; ~~or~~

14 (b) For any eligible sports arena facility that is a sports complex,
15 the area that is located within six hundred yards of an eligible sports
16 arena facility, measured from any point of the exterior boundary or
17 property line of the facility; or -

18 (c) For any eligible sports arena facility that is a large public
19 stadium, the area that is located within six hundred yards of an eligible
20 sports arena facility, measured from any point of the exterior perimeter
21 of the facility but not from any parking facility or other structure,
22 except that if twenty-five percent or more of such area is covered
23 property or unbuildable property, then the program area shall be adjusted
24 so that:

25 (i) It avoids as much of the covered property and unbuildable
26 property as is practical; and

27 (ii) It contains contiguous property with the same total amount of
28 square footage that the program area would have contained had no
29 adjustment been necessary.

30 Approval of an application for state assistance by the board
31 pursuant to section 13-3106 shall establish the program area as that area

1 depicted in the map accompanying the application for state assistance as
2 submitted pursuant to subdivision (2)(c) of section 13-3104;

3 (19) ~~(17)~~ Project completion date means:

4 (a) For projects involving the acquisition or construction of an
5 eligible sports arena facility, the date of initial occupancy of the
6 facility following the completion of such acquisition or construction; or

7 (b) For all other projects, the date of completion of the project
8 for which state assistance is received;

9 (20) ~~(18)~~ Revenue bond means any bond or refunding bond issued by a
10 political subdivision which is limited or special rather than a general
11 obligation bond of the political subdivision and which is not payable
12 from the proceeds of an ad valorem tax;

13 (21) ~~(19)~~ Sports complex means a facility that:

14 (a) Includes indoor areas, outdoor areas, or both;

15 (b) Is primarily used for competitive sports; and

16 (c) Contains at least:

17 (i) Twelve separate sports venues if such facility is located in a
18 city of the metropolitan class;

19 (ii) Six separate sports venues if such facility is located in a
20 city of the primary class; or

21 (iii) Four separate sports venues if such facility is located (A) in
22 a city of the first class, city of the second class, or village, (B)
23 within a county but outside the corporate limits of any city or village,
24 (C) in an economic redevelopment area, or (D) in an opportunity zone
25 designated pursuant to the federal Tax Cuts and Jobs Act, Public Law
26 115-97;

27 (22) ~~(20)~~ Sports venue includes, but is not limited to:

28 (a) A baseball field;

29 (b) A softball field;

30 (c) A multipurpose field;

31 (d) An outdoor stadium primarily used for competitive sports;

1 (e) An outdoor arena primarily used for competitive sports; or

2 (f) An enclosed, temperature-controlled building primarily used for
3 competitive sports. If any such building contains more than one
4 multipurpose field, court, swimming pool, or other facility primarily
5 used for competitive sports, then each such multipurpose field, court,
6 swimming pool, or facility shall count as a separate sports venue; and

7 ~~(23)~~ ~~(21)~~ Unbuildable property means any real property that is
8 located in a floodway, an environmentally protected area, a right-of-way,
9 or a brownfield site as defined in 42 U.S.C. 9601 that the political
10 subdivision determines is not suitable for the construction or location
11 of residential, commercial, or other buildings or facilities.

12 Sec. 52. Section 13-3103, Revised Statutes Supplement, 2023, is
13 amended to read:

14 13-3103 (1) Any applicant may apply to the board for state
15 assistance if (a) the applicant has acquired, constructed, improved, or
16 equipped an eligible sports arena facility, (b) the applicant has
17 approved a revenue bond issue or a general obligation bond issue to
18 acquire, construct, improve, or equip an eligible sports arena facility,
19 (c) the applicant has adopted a resolution authorizing the applicant to
20 pursue a general obligation bond issue to acquire, construct, improve, or
21 equip an eligible sports arena facility, or (d) a building permit has
22 been issued within the applicant's jurisdiction for an eligible sports
23 arena facility that is a privately owned concert venue.

24 (2) The state assistance shall only be used by the applicant to pay
25 back amounts expended or borrowed through one or more issues of bonds to
26 be expended by the applicant to acquire, construct, improve, or equip the
27 eligible sports arena facility and to acquire, construct, improve, or
28 equip nearby parking facilities.

29 (3) For an eligible sports arena facility that is a privately owned
30 concert venue, the state assistance shall only be used by the applicant
31 (a) to pay back amounts expended or borrowed through one or more issues

1 of bonds to be expended by the applicant to acquire, construct, improve,
2 or equip a nearby parking facility or (b) to promote arts and cultural
3 events which are open to or made available to the general public.

4 ~~(4) For applications for state assistance approved on or after~~
5 ~~October 1, 2016, (a) no more than fifty percent of the final cost of the~~
6 ~~project shall be funded by state assistance received pursuant to section~~
7 ~~13-3108 and~~

8 (4) No (b) no more than ten years of funding for promotion of the
9 arts and cultural events shall be paid by state assistance received
10 pursuant to section 13-3108.

11 (5) For any application for state assistance for a large public
12 stadium approved on or after the operative date of this section, up to
13 one hundred percent of the final cost of the project may be funded by
14 state assistance received pursuant to section 13-3108.

15 Sec. 53. Section 13-3104, Revised Statutes Supplement, 2023, is
16 amended to read:

17 13-3104 (1) All applications for state assistance under the Sports
18 Arena Facility Financing Assistance Act shall be in writing and shall
19 include a certified copy of the approving action of the governing body of
20 the applicant describing the proposed project for which state assistance
21 is requested and the anticipated financing.

22 (2) Except as provided in subsection (3) of this section, the
23 application shall contain:

24 (a) A description of the proposed financing of the project,
25 including the estimated principal and interest requirements for the bonds
26 proposed to be issued in connection with the project or the amounts
27 necessary to repay the original investment by the applicant in the
28 project;

29 (b) Documentation of local financial commitment to support the
30 project, including all public and private resources pledged or committed
31 to the project and including a copy of any operating agreement or lease

1 with substantial users of the eligible sports arena facility;

2 (c) ~~A For applications submitted on or after October 1, 2016,~~ a map
3 identifying the program area, including any covered property or
4 unbuildable property within the program area or taken into account in
5 adjusting the program area as described in subdivision ~~(18) (16)(a)(ii)~~
6 of section 13-3102; and

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

8 (3) If the state assistance will be used to provide funding for
9 promotion of the arts and cultural events, the application shall contain:

10 (a) A detailed description of the programs contemplated and how such
11 programs will be in furtherance of the applicant's public use or public
12 purpose if such funds are to be expended through one or more private
13 organizations; and

14 (b) Any other program information deemed appropriate by the board.

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

18 (5) Any state assistance received pursuant to the act shall be used
19 only for public purposes.

20 Sec. 54. Section 13-3108, Revised Statutes Supplement, 2023, is
21 amended to read:

22 13-3108 (1) The Sports Arena Facility Support Fund is created. Any
23 money in the fund available for investment shall be invested by the state
24 investment officer pursuant to the Nebraska Capital Expansion Act and the
25 Nebraska State Funds Investment Act.

26 (2)(a) Upon receiving the certification described in subsection (3)
27 of section 13-3107, the State Treasurer shall transfer the amount
28 certified to the fund.

29 (b) Upon receiving the quarterly certification described in
30 subsection (4) of section 13-3107, the State Treasurer shall transfer the
31 amount certified to the fund.

1 (3)(a) It is the intent of the Legislature to appropriate from the
2 fund money to be distributed as provided in subsections (4) and (5) of
3 this section to any political subdivision for which an application for
4 state assistance under the Sports Arena Facility Financing Assistance Act
5 has been approved an amount not to exceed seventy percent of the (i)
6 state sales tax revenue collected by retailers doing business at eligible
7 sports arena facilities on sales at such facilities, (ii) state sales tax
8 revenue collected on primary and secondary box office sales of admissions
9 to such facilities, and (iii) new state sales tax revenue collected by
10 nearby retailers and sourced under sections 77-2703.01 to 77-2703.04 to
11 the program area.

12 (b) The amount to be appropriated for distribution as state
13 assistance to a political subdivision under this subsection for any one
14 year after the tenth year shall not exceed the highest such amount
15 appropriated under subdivision (3)(a) of this section during any one year
16 of the first ten years of such appropriation. If seventy percent of the
17 state sales tax revenue as described in subdivision (3)(a) of this
18 section exceeds the amount to be appropriated under this subdivision,
19 such excess funds shall be transferred to the General Fund.

20 (4) The amount certified under subsection (3) of section 13-3107
21 shall be distributed as state assistance on or before April 15, 2014.

22 (5) Beginning in 2014, quarterly distributions and associated
23 transfers of state assistance shall be made. Such quarterly distributions
24 and transfers shall be based on the certifications provided under
25 subsection (4) of section 13-3107 and shall occur within fifteen days
26 after receipt of such certification.

27 (6)(a) Except as provided in subdivision (6)(b) of this section, the
28 ~~(6)~~ The total amount of state assistance approved for an eligible sports
29 arena facility shall not exceed one hundred million dollars.

30 (b) For any eligible sports arena facility that is a large public
31 stadium:

1 (i) The total amount of state assistance approved for such facility
2 shall not exceed twenty-five million dollars;

3 (ii) The amount of state assistance approved for such facility for
4 any year shall not exceed one million two hundred fifty thousand dollars;
5 and

6 (iii) No state assistance for any large public stadium shall be paid
7 until after July 1, 2027.

8 (7)(a) Except as provided in subdivisions (b) and (c) of this
9 subsection, state State assistance to the political subdivision shall no
10 longer be available upon the retirement of the bonds issued to acquire,
11 construct, improve, or equip the facility or any subsequent bonds that
12 refunded the original issue or when state assistance reaches the amount
13 determined under subdivision (6)(a) ~~subsection (6)~~ of this section,
14 whichever comes first.

15 (b) If the state assistance will be used to provide funding for
16 promotion of the arts and cultural events, such state assistance to the
17 political subdivision shall no longer be available after ten years of
18 funding or when state assistance reaches the amount determined under
19 subdivision (6)(a) ~~subsection (6)~~ of this section, whichever comes first.

20 (c) If the state assistance will be used to provide funding for a
21 large public stadium, such state assistance to the political subdivision
22 shall no longer be available after twenty years of funding or when state
23 assistance reaches the amount determined under subdivision (6)(b)(i) of
24 this section, whichever comes first.

25 (8) State assistance shall not be used for an operating subsidy.

26 (9) The thirty percent of state sales tax revenue remaining after
27 the appropriation and transfer in subsection (3) of this section shall be
28 appropriated by the Legislature and transferred quarterly as follows:

29 (a) If the revenue relates to an eligible sports arena facility that
30 is a sports complex and that is approved for state assistance under
31 section 13-3106 on or after May 26, 2021, eighty-three percent of such

1 revenue shall be transferred to the Support the Arts Cash Fund and
2 seventeen percent of such revenue shall be transferred to the Convention
3 Center Support Fund; and

4 (b) If the revenue relates to any other eligible sports arena
5 facility, such revenue shall be transferred to the Civic and Community
6 Center Financing Fund.

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

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

17 Sec. 55. Section 18-1208, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 18-1208 (1) Except as otherwise provided in this section, after July
20 19, 2012, a municipality may impose a new occupation tax or increase the
21 rate of an existing occupation tax, which new occupation tax or increased
22 rate of an existing occupation tax is projected to generate annual
23 occupation tax revenue in excess of the applicable amount listed in
24 subsection (2) of this section, pursuant to section 14-109, 15-202,
25 15-203, 16-205, or 17-525 if the question of whether to impose the tax or
26 increase the rate of an existing occupation tax has been submitted at an
27 election held within the municipality and in which all registered voters
28 shall be entitled to vote on the question. The officials of the
29 municipality shall order the submission of the question by submitting a
30 certified copy of the resolution proposing the tax or tax rate increase
31 to the election commissioner or county clerk at least fifty days before

1 the election. The election shall be conducted in accordance with the
2 Election Act. If a majority of the votes cast upon the question are in
3 favor of the new tax or increased rate of an existing occupation tax,
4 then the governing body of such municipality shall be empowered to impose
5 the new tax or to impose the increased tax rate. If a majority of those
6 voting on the question are opposed to the new tax or increased rate, then
7 the governing body of the municipality shall not impose the new tax or
8 increased rate but shall maintain any existing occupation tax at its
9 current rate.

10 (2) The applicable amount of annual revenue for each new occupation
11 tax or annual revenue raised by the increased rate for an existing
12 occupation tax for purposes of subsection (1) of this section is:

- 13 (a) For cities of the metropolitan class, six million dollars;
14 (b) For cities of the primary class, three million dollars;
15 (c) For cities of the first class, seven hundred thousand dollars;
16 and
17 (d) For cities of the second class and villages, three hundred
18 thousand dollars.

19 (3) After July 19, 2012, a municipality shall not be required to
20 submit the following questions to the registered voters:

- 21 (a) Whether to change the rate of an occupation tax imposed for a
22 specific project which does not provide for deposit of the tax proceeds
23 in the municipality's general fund; or
24 (b) Whether to terminate an occupation tax earlier than the
25 determinable termination date under the original question submitted to
26 the registered voters.

27 This subsection applies to occupation taxes imposed prior to, on, or
28 after July 19, 2012.

29 (4) This section shall ~~The provisions of this section do~~ not apply
30 to (a) an occupation tax subject to section 86-704 or (b) a municipality
31 imposing an occupation tax within that portion of a good life district

1 established pursuant to the Good Life Transformational Projects Act which
2 is located within the corporate limits of such municipality if the good
3 life district applicant has approved of the occupation tax. The changes
4 made in this subdivision by this legislative bill shall not be construed
5 to invalidate an occupation tax imposed prior to the operative date of
6 this section.

7 (5) No later than ninety days after the end of the fiscal year, each
8 municipality that imposes or increases any occupation tax as provided
9 under this section shall provide an annual report on the collection and
10 use of such occupation tax. The report shall be posted on the
11 municipality's public website or made available for public inspection at
12 a location designated by the municipality. The report shall include, but
13 not be limited to:

14 (a) A list of all such occupation taxes collected by the
15 municipality;

16 (b) The amount generated annually by each such occupation tax;

17 (c) Whether funds generated by each such occupation tax are
18 deposited in the general fund, cash funds, or other funds of the
19 municipality;

20 (d) Whether any such occupation tax is dedicated for a specific
21 purpose, and if so, the amount dedicated for such purpose; and

22 (e) The scheduled or projected termination date, if any, of each
23 such occupation tax.

24 Sec. 56. Section 18-2103, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 18-2103 For purposes of the Community Development Law, unless the
27 context otherwise requires:

28 (1) Area of operation means and includes the area within the
29 corporate limits of the city and such land outside the city as may come
30 within the purview of sections 18-2123 and 18-2123.01;

31 (2) Authority means any community redevelopment authority created

1 pursuant to section 18-2102.01 and any community development agency
2 created pursuant to section 18-2101.01 and does not include a limited
3 community redevelopment authority;

4 (3) Blighted area means an area (a) which, by reason of the presence
5 of a substantial number of deteriorated or deteriorating structures,
6 existence of defective or inadequate street layout, faulty lot layout in
7 relation to size, adequacy, accessibility, or usefulness, insanitary or
8 unsafe conditions, deterioration of site or other improvements, diversity
9 of ownership, tax or special assessment delinquency exceeding the fair
10 value of the land, defective or unusual conditions of title, improper
11 subdivision or obsolete platting, or the existence of conditions which
12 endanger life or property by fire and other causes, or any combination of
13 such factors, substantially impairs or arrests the sound growth of the
14 community, retards the provision of housing accommodations, or
15 constitutes an economic or social liability and is detrimental to the
16 public health, safety, morals, or welfare in its present condition and
17 use and (b) in which there is at least one of the following conditions:
18 (i) Unemployment in the designated area is at least one hundred twenty
19 percent of the state or national average; (ii) the average age of the
20 residential or commercial units in the area is at least forty years;
21 (iii) more than half of the plotted and subdivided property in an area is
22 unimproved land that has been within the city for forty years and has
23 remained unimproved during that time; (iv) the per capita income of the
24 area is lower than the average per capita income of the city or village
25 in which the area is designated; or (v) the area has had either stable or
26 decreasing population based on the last two decennial censuses. In no
27 event shall a city of the metropolitan, primary, or first class designate
28 more than thirty-five percent of the city as blighted, a city of the
29 second class shall not designate an area larger than fifty percent of the
30 city as blighted, and a village shall not designate an area larger than
31 one hundred percent of the village as blighted. A redevelopment project

1 involving a formerly used defense site as authorized under section
2 18-2123.01, any area which is located within a good life district
3 established under the Good Life Transformational Projects Act, and any
4 area declared to be an extremely blighted area under section 18-2101.02
5 shall not count towards the percentage limitations contained in this
6 subdivision;

7 (4) Bonds means any bonds, including refunding bonds, notes, interim
8 certificates, debentures, or other obligations issued pursuant to the
9 Community Development Law except for bonds issued pursuant to section
10 18-2142.04;

11 (5) Business means any private business located in an enhanced
12 employment area;

13 (6) City means any city or incorporated village in the state;

14 (7) Clerk means the clerk of the city or village;

15 (8) Community redevelopment area means a substandard and blighted
16 area which the community redevelopment authority designates as
17 appropriate for a redevelopment project;

18 (9) Employee means a person employed at a business as a result of a
19 redevelopment project;

20 (10) Employer-provided health benefit means any item paid for by the
21 employer in total or in part that aids in the cost of health care
22 services, including, but not limited to, health insurance, health savings
23 accounts, and employer reimbursement of health care costs;

24 (11) Enhanced employment area means an area not exceeding six
25 hundred acres (a) within a community redevelopment area which is
26 designated by an authority as eligible for the imposition of an
27 occupation tax or (b) not within a community redevelopment area as may be
28 designated under section 18-2142.04;

29 (12) Equivalent employees means the number of employees computed by
30 (a) dividing the total hours to be paid in a year by (b) the product of
31 forty times the number of weeks in a year;

1 (13) Extremely blighted area means a substandard and blighted area
2 in which: (a) The average rate of unemployment in the area during the
3 period covered by the most recent federal decennial census or American
4 Community Survey 5-Year Estimate is at least two hundred percent of the
5 average rate of unemployment in the state during the same period; and (b)
6 the average poverty rate in the area exceeds twenty percent for the total
7 federal census tract or tracts or federal census block group or block
8 groups in the area;

9 (14) Federal government means the United States of America, or any
10 agency or instrumentality, corporate or otherwise, of the United States
11 of America;

12 (15) Governing body or local governing body means the city council,
13 board of trustees, or other legislative body charged with governing the
14 municipality;

15 (16) Limited community redevelopment authority means a community
16 redevelopment authority created pursuant to section 18-2102.01 having
17 only one single specific limited pilot project authorized;

18 (17) Mayor means the mayor of the city or chairperson of the board
19 of trustees of the village;

20 (18) New investment means the value of improvements to real estate
21 made in an enhanced employment area by a developer or a business;

22 (19) Number of new employees means the number of equivalent
23 employees that are employed at a business as a result of the
24 redevelopment project during a year that are in excess of the number of
25 equivalent employees during the year immediately prior to the year that a
26 redevelopment plan is adopted;

27 (20) Obligee means any bondholder, agent, or trustee for any
28 bondholder, or lessor demising to any authority, established pursuant to
29 section 18-2102.01, property used in connection with a redevelopment
30 project, or any assignee or assignees of such lessor's interest or any
31 part thereof, and the federal government when it is a party to any

1 contract with such authority;

2 (21) Occupation tax means a tax imposed under section 18-2142.02;

3 (22) Person means any individual, firm, partnership, limited
4 liability company, corporation, company, association, joint-stock
5 association, or body politic and includes any trustee, receiver,
6 assignee, or other similar representative thereof;

7 (23) Public body means the state or any municipality, county,
8 township, board, commission, authority, district, or other political
9 subdivision or public body of the state;

10 (24) Real property means all lands, including improvements and
11 fixtures thereon, and property of any nature appurtenant thereto, or used
12 in connection therewith, and every estate, interest and right, legal or
13 equitable, therein, including terms for years and liens by way of
14 judgment, mortgage, or otherwise, and the indebtedness secured by such
15 liens;

16 (25) Redeveloper means any person, partnership, or public or private
17 corporation or agency which enters or proposes to enter into a
18 redevelopment contract;

19 (26) Redevelopment contract means a contract entered into between an
20 authority and a redeveloper for the redevelopment of an area in
21 conformity with a redevelopment plan;

22 (27) Redevelopment plan means a plan, as it exists from time to time
23 for one or more community redevelopment areas, or for a redevelopment
24 project, which (a) conforms to the general plan for the municipality as a
25 whole and (b) is sufficiently complete to indicate such land acquisition,
26 demolition and removal of structures, redevelopment, improvements, and
27 rehabilitation as may be proposed to be carried out in the community
28 redevelopment area, zoning and planning changes, if any, land uses,
29 maximum densities, and building requirements;

30 (28) Redevelopment project means any work or undertaking in one or
31 more community redevelopment areas: (a) To acquire substandard and

1 blighted areas or portions thereof, including lands, structures, or
2 improvements the acquisition of which is necessary or incidental to the
3 proper clearance, development, or redevelopment of such substandard and
4 blighted areas; (b) to clear any such areas by demolition or removal of
5 existing buildings, structures, streets, utilities, or other improvements
6 thereon and to install, construct, or reconstruct streets, utilities,
7 parks, playgrounds, public spaces, public parking facilities, sidewalks
8 or moving sidewalks, convention and civic centers, bus stop shelters,
9 lighting, benches or other similar furniture, trash receptacles,
10 shelters, skywalks and pedestrian and vehicular overpasses and
11 underpasses, enhancements to structures in the redevelopment plan area
12 which exceed minimum building and design standards in the community and
13 prevent the recurrence of substandard and blighted conditions, and any
14 other necessary public improvements essential to the preparation of sites
15 for uses in accordance with a redevelopment plan; (c) to sell, lease, or
16 otherwise make available land in such areas for residential,
17 recreational, commercial, industrial, or other uses, including parking or
18 other facilities functionally related or subordinate to such uses, or for
19 public use or to retain such land for public use, in accordance with a
20 redevelopment plan; and may also include the preparation of the
21 redevelopment plan, the planning, survey, and other work incident to a
22 redevelopment project and the preparation of all plans and arrangements
23 for carrying out a redevelopment project; (d) to dispose of all real and
24 personal property or any interest in such property, or assets, cash, or
25 other funds held or used in connection with residential, recreational,
26 commercial, industrial, or other uses, including parking or other
27 facilities functionally related or subordinate to such uses, or any
28 public use specified in a redevelopment plan or project, except that such
29 disposition shall be at its fair value for uses in accordance with the
30 redevelopment plan; (e) to acquire real property in a community
31 redevelopment area which, under the redevelopment plan, is to be repaired

1 or rehabilitated for dwelling use or related facilities, repair or
2 rehabilitate the structures, and resell the property; (f) to carry out
3 plans for a program of voluntary or compulsory repair, rehabilitation, or
4 demolition of buildings in accordance with the redevelopment plan; and
5 (g) in a rural community or in an extremely blighted area within a
6 municipality that is not a rural community, to carry out construction of
7 workforce housing;

8 (29) Redevelopment project valuation means the valuation for
9 assessment of the taxable real property in a redevelopment project last
10 certified for the year prior to the effective date of the provision
11 authorized in section 18-2147;

12 (30) Rural community means any municipality in a county with a
13 population of fewer than one hundred thousand inhabitants as determined
14 by the most recent federal decennial census;

15 (31) Substandard area means an area in which there is a predominance
16 of buildings or improvements, whether nonresidential or residential in
17 character, which, by reason of dilapidation, deterioration, age or
18 obsolescence, inadequate provision for ventilation, light, air,
19 sanitation, or open spaces, high density of population and overcrowding,
20 or the existence of conditions which endanger life or property by fire
21 and other causes, or any combination of such factors, is conducive to ill
22 health, transmission of disease, infant mortality, juvenile delinquency,
23 and crime, (which cannot be remedied through construction of prisons),
24 and is detrimental to the public health, safety, morals, or welfare; and

25 (32) Workforce housing means:

26 (a) Housing that meets the needs of today's working families;

27 (b) Housing that is attractive to new residents considering
28 relocation to a rural community;

29 (c) Owner-occupied housing units that cost not more than two hundred
30 seventy-five thousand dollars to construct or rental housing units that
31 cost not more than two hundred thousand dollars per unit to construct.

1 For purposes of this subdivision (c), housing unit costs shall be updated
2 annually by the Department of Economic Development based upon the most
3 recent increase or decrease in the Producer Price Index for all
4 commodities, published by the United States Department of Labor, Bureau
5 of Labor Statistics;

6 (d) Owner-occupied and rental housing units for which the cost to
7 substantially rehabilitate exceeds fifty percent of a unit's assessed
8 value; and

9 (e) Upper-story housing.

10 Sec. 57. Section 43-512.12, Revised Statutes Cumulative Supplement,
11 2022, is amended to read:

12 43-512.12 (1) Child support orders in cases in which a party has
13 applied for services under Title IV-D of the federal Social Security Act,
14 as amended, shall be reviewed by the Department of Health and Human
15 Services to determine whether to refer such orders to the county attorney
16 or authorized attorney for filing of an application for modification. An
17 order shall be reviewed by the department upon its own initiative or at
18 the request of either parent when such review is required by Title IV-D
19 of the federal Social Security Act, as amended. After review the
20 department shall refer an order to a county attorney or authorized
21 attorney when the verifiable financial information available to the
22 department indicates:

23 (a) The present child support obligation varies from the Supreme
24 Court child support guidelines pursuant to section 42-364.16 by more than
25 the percentage, amount, or other criteria established by Supreme Court
26 rule, and the variation is due to financial circumstances which have
27 lasted at least three months and can reasonably be expected to last for
28 an additional six months; or

29 (b) Health care coverage meeting the requirements of subsection (2)
30 of section 42-369 is available to either party and the children do not
31 have health care coverage other than the medical assistance program under

1 the Medical Assistance Act.

2 Health care coverage cases may be modified within three years of
3 entry of the order.

4 (2) Orders that are not addressed under subsection (1) of this
5 section shall not be reviewed by the department if it has not been three
6 years since the present child support obligation was ordered unless the
7 requesting party demonstrates a substantial change in circumstances that
8 is expected to last for the applicable time period established by
9 subdivision (1)(a) of this section. Such substantial change in
10 circumstances may include, but is not limited to, change in employment,
11 earning capacity, or income or receipt of an ongoing source of income
12 from a pension, gift, ~~or~~ lottery winnings, casino winnings, parimutuel
13 winnings, sports wagering winnings, or cash device winnings. An order may
14 be reviewed after one year if the department's determination after the
15 previous review was not to refer to the county attorney or authorized
16 attorney for filing of an application for modification because financial
17 circumstances had not lasted or were not expected to last for the time
18 periods established by subdivision (1)(a) of this section.

19 (3) Notwithstanding the time periods set forth in subdivision (1)(a)
20 of this section, within fifteen business days of learning that a
21 noncustodial parent will be incarcerated for more than one hundred eighty
22 calendar days, the department shall send notice by first-class mail to
23 both parents informing them of the right to request the state to review
24 and, if appropriate, adjust the order. Such notice shall be sent to the
25 incarcerated parent at the address of the facility at which the parent is
26 incarcerated.

27 Sec. 58. Section 44-314, Reissue Revised Statutes of Nebraska, is
28 amended to read:

29 44-314 (1) Except as provided in subsection (2) of this section, an
30 employer providing for an individual or family health insurance policy
31 for a first responder employee shall not cancel such policy if the first

1 ~~responder suffers serious bodily injury from an event No city or county~~
2 ~~offering an individual or family health insurance policy to first~~
3 ~~responders shall cancel such individual or family health insurance for~~
4 ~~any first responder who suffers serious bodily injury from an assault~~
5 ~~that occurs while the first responder is acting in the line of on duty~~
6 ~~and that results in the first responder falling below the minimum number~~
7 ~~of working hours needed to maintain his or her regular individual or~~
8 ~~family health insurance.~~

9 ~~(2) The city or county shall only be obligated to provide such~~
10 ~~health insurance while the first responder is employed with the city or~~
11 ~~county.~~

12 ~~(2) Subsection (1) of this section does not prohibit an employer~~
13 ~~from canceling (3) A city or county may cancel such policy health~~
14 ~~insurance if the first responder:~~

15 ~~(a) Voluntarily ceases to be employed with the employer; or~~

16 ~~(b) Does does not return to employment within twelve months after~~
17 ~~the date of injury.~~

18 ~~(3) For a first responder who dies as a result of an event that~~
19 ~~occurs while the first responder is acting in the line of duty, the~~
20 ~~employer of such first responder shall not cancel any health insurance~~
21 ~~policy covering a spouse or dependent of such first responder for a~~
22 ~~period of at least twelve months following such death.~~

23 ~~(4) For purposes of this section:~~

24 ~~(a) Employer means any state or local governmental entity that~~
25 ~~employs a first responder;~~

26 ~~(b) First , first responder means any law enforcement officer,~~
27 ~~professional a sheriff, deputy sheriff, police officer, paid firefighter,~~
28 ~~or paid individual licensed under a licensure classification in~~
29 ~~subdivision (1) of section 38-1217 who provides medical care in order to~~
30 ~~prevent loss of life or aggravation of physiological or psychological~~
31 ~~illness or injury; -~~

1 (c) Law enforcement officer has the same meaning as in section
2 81-1401;

3 (d) Line of duty means any action that a first responder is
4 authorized or obligated by law, rule, or regulation to perform, related
5 to or as a condition of employment or service; and

6 (e) Professional firefighter means an individual who is a
7 firefighter or firefighter-paramedic as a full-time career and who is a
8 member of a paid fire department of any of the following entities within
9 Nebraska:

10 (i) A municipality, including a municipality having a home rule
11 charter or a municipal authority created pursuant to a home rule charter
12 that has its own paid fire department;

13 (ii) A rural or suburban fire protection district; or

14 (iii) A fire service providing fire protection to state military
15 installations.

16 Sec. 59. Section 60-301, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 60-301 Sections 60-301 to 60-3,258 and section 61 of this act shall
19 be known and may be cited as the Motor Vehicle Registration Act.

20 Sec. 60. Section 60-302, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 60-302 For purposes of the Motor Vehicle Registration Act, unless
23 the context otherwise requires, the definitions found in sections
24 60-302.01 to 60-360 and section 61 of this act shall be used.

25 Sec. 61. Plug-in hybrid electric vehicle means any motor vehicle
26 which:

27 (1) Uses batteries to power an electric motor;

28 (2) Uses motor vehicle fuel as defined in section 66-482, diesel
29 fuel as defined in section 66-482, or compressed fuel as defined in
30 section 66-6,100 to power an internal combustion engine; and

31 (3) Has batteries that can be charged using a wall outlet or

1 charging equipment.

2 Sec. 62. Section 60-3,191, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 60-3,191 In addition to any other fee required under the Motor
5 Vehicle Registration Act, a fee for registration of each motor vehicle
6 powered by an alternative fuel shall be charged. The fee shall be one
7 hundred fifty dollars, except that for a motorcycle or plug-in hybrid
8 electric vehicle, the fee shall be seventy-five dollars. The fee shall be
9 collected by the county treasurer and remitted to the State Treasurer for
10 credit to the Highway Trust Fund.

11 Sec. 63. Section 66-482, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 66-482 For purposes of sections 66-482 to 66-4,149:

14 (1) Agricultural ethyl alcohol means ethyl alcohol produced from
15 cereal grains or agricultural commodities grown within the continental
16 United States and which is a finished product that is a nominally
17 anhydrous ethyl alcohol meeting American Society for Testing and
18 Materials D4806 standards. For the purpose of sections 66-482 to
19 66-4,149, the purity of the ethyl alcohol shall be determined excluding
20 denaturant, and the volume of alcohol blended with gasoline for motor
21 vehicle fuel shall include the volume of any denaturant required pursuant
22 to law;

23 (2) Alcohol blend means a blend of agricultural ethyl alcohol in
24 gasoline or other motor vehicle fuel, such blend to contain not less than
25 five percent by volume of alcohol;

26 (3) Biodiesel means mono-alkyl esters of long chain fatty acids
27 derived from vegetable oils or animal fats which conform to American
28 Society for Testing and Materials D6751 specifications for use in diesel
29 engines. Biodiesel refers to the pure fuel before blending with diesel
30 fuel;

31 (4) Biodiesel facility means a plant which produces biodiesel;

1 (5) Commercial electric vehicle charging station has the same
2 meaning as in section 70-1001.01;

3 (6) Commercial electric vehicle charging station operator has the
4 same meaning as in section 70-1001.01;

5 (7) Compressed fuel has the same meaning as in section 66-6,100;

6 (8) Department means the Department of Revenue;

7 (9) Diesel fuel means all combustible liquids and biodiesel which
8 are suitable for the generation of power for diesel-powered vehicles,
9 except that diesel fuel does not include kerosene;

10 (10) Distributor means any person who acquires ownership of motor
11 fuels directly from a producer or supplier at or from a barge, barge
12 line, pipeline terminal, or ethanol or biodiesel facility in this state;

13 (11) Ethanol facility means a plant which produces agricultural
14 ethyl alcohol;

15 (12) Exporter means any person who acquires ownership of motor fuels
16 from any licensed producer, supplier, distributor, wholesaler, or
17 importer exclusively for use or resale in another state;

18 (13) Gross gallons means measured gallons without adjustment or
19 correction for temperature or barometric pressure;

20 (14) Highway means every way or place generally open to the use of
21 the public for the purpose of vehicular travel, even though such way or
22 place may be temporarily closed or travel thereon restricted for the
23 purpose of construction, maintenance, repair, or reconstruction;

24 (15) Importer means any person who owns motor fuels at the time such
25 fuels enter the State of Nebraska by any means other than barge, barge
26 line, or pipeline. Importer does not include a person who imports motor
27 fuels in a tank directly connected to the engine of a motor vehicle,
28 train, watercraft, or airplane for purposes of providing fuel to the
29 engine to which the tank is connected;

30 (16) Kerosene means kerosene meeting the specifications as found in
31 the American Society for Testing and Materials publication D3699 entitled

1 Standard Specification for Kerosene;

2 (17) Motor fuels means motor vehicle fuel, diesel fuel, aircraft
3 fuel, or compressed fuel;

4 (18) (1) Motor vehicle ~~has~~ shall have the same meaning definition as
5 in section 60-339;

6 (19) (2) Motor vehicle fuel includes shall include all products and
7 fuel commonly or commercially known as gasoline, including casing head or
8 natural gasoline, and includes shall include any other liquid and such
9 other volatile and inflammable liquids as may be produced, compounded, or
10 used for the purpose of operating or propelling motor vehicles,
11 motorboats, or aircraft or as an ingredient in the manufacture of such
12 fuel. Motor vehicle fuel includes agricultural ~~Agricultural~~ ethyl alcohol
13 produced for use as a motor vehicle fuel shall be considered a motor
14 vehicle fuel. Motor vehicle fuel does shall not include the products
15 commonly known as methanol, kerosene oil, kerosene distillate, crude
16 petroleum, naphtha, and benzine with a boiling point over two hundred
17 degrees Fahrenheit, residuum gas oil, smudge oil, leaded automotive
18 racing fuel with an American Society of Testing Materials research method
19 octane number in excess of one hundred five, and any petroleum product
20 with an initial boiling point under two hundred degrees Fahrenheit, a
21 ninety-five percent distillation (recovery) temperature in excess of four
22 hundred sixty-four degrees Fahrenheit, an American Society of Testing
23 Materials research method octane number less than seventy, and an end or
24 dry point of distillation of five hundred seventy degrees Fahrenheit
25 maximum;

26 (20) Person means any individual, firm, partnership, limited
27 liability company, company, agency, association, corporation, state,
28 county, municipality, or other political subdivision. Whenever a fine or
29 imprisonment is prescribed or imposed in sections 66-482 to 66-4,149, the
30 word person as applied to a partnership, a limited liability company, or
31 an association means the partners or members thereof;

1 (21) Producer means any person who manufactures agricultural ethyl
2 alcohol or biodiesel at an ethanol or biodiesel facility in this state;

3 (22) Retailer means any person who acquires motor fuels from a
4 producer, supplier, distributor, wholesaler, or importer for resale to
5 consumers of such fuel;

6 (23) Semiannual period means either the period which begins on
7 January 1 and ends on June 30 of each year or the period which begins on
8 July 1 and ends on December 31 of each year;

9 ~~(3) Agricultural ethyl alcohol shall mean ethyl alcohol produced~~
10 ~~from cereal grains or agricultural commodities grown within the~~
11 ~~continental United States and which is a finished product that is a~~
12 ~~nominally anhydrous ethyl alcohol meeting American Society for Testing~~
13 ~~and Materials D4806 standards. For the purpose of sections 66-482 to~~
14 ~~66-4,149, the purity of the ethyl alcohol shall be determined excluding~~
15 ~~denaturant and the volume of alcohol blended with gasoline for motor~~
16 ~~vehicle fuel shall include the volume of any denaturant required pursuant~~
17 ~~to law;~~

18 ~~(4) Alcohol blend shall mean a blend of agricultural ethyl alcohol~~
19 ~~in gasoline or other motor vehicle fuel, such blend to contain not less~~
20 ~~than five percent by volume of alcohol;~~

21 (24) (5) Supplier means shall mean any person who owns motor fuels
22 imported by barge, barge line, or pipeline and stored at a barge, barge
23 line, or pipeline terminal in this state; and

24 ~~(6) Distributor shall mean any person who acquires ownership of~~
25 ~~motor fuels directly from a producer or supplier at or from a barge,~~
26 ~~barge line, pipeline terminal, or ethanol or biodiesel facility in this~~
27 ~~state;~~

28 (25) (7) Wholesaler means shall mean any person, other than a
29 producer, supplier, distributor, or importer, who acquires motor fuels
30 for resale. ÷

31 ~~(8) Retailer shall mean any person who acquires motor fuels from a~~

1 ~~producer, supplier, distributor, wholesaler, or importer for resale to~~
2 ~~consumers of such fuel;~~

3 ~~(9) Importer shall mean any person who owns motor fuels at the time~~
4 ~~such fuels enter the State of Nebraska by any means other than barge,~~
5 ~~barge line, or pipeline. Importer shall not include a person who imports~~
6 ~~motor fuels in a tank directly connected to the engine of a motor~~
7 ~~vehicle, train, watercraft, or airplane for purposes of providing fuel to~~
8 ~~the engine to which the tank is connected;~~

9 ~~(10) Exporter shall mean any person who acquires ownership of motor~~
10 ~~fuels from any licensed producer, supplier, distributor, wholesaler, or~~
11 ~~importer exclusively for use or resale in another state;~~

12 ~~(11) Gross gallons shall mean measured gallons without adjustment or~~
13 ~~correction for temperature or barometric pressure;~~

14 ~~(12) Diesel fuel shall mean all combustible liquids and biodiesel~~
15 ~~which are suitable for the generation of power for diesel-powered~~
16 ~~vehicles, except that diesel fuel shall not include kerosene;~~

17 ~~(13) Compressed fuel shall mean any fuel defined as compressed fuel~~
18 ~~in section 66-6,100;~~

19 ~~(14) Person shall mean any individual, firm, partnership, limited~~
20 ~~liability company, company, agency, association, corporation, state,~~
21 ~~county, municipality, or other political subdivision. Whenever a fine or~~
22 ~~imprisonment is prescribed or imposed in sections 66-482 to 66-4,149, the~~
23 ~~word person as applied to a partnership, a limited liability company, or~~
24 ~~an association shall mean the partners or members thereof;~~

25 ~~(15) Department shall mean the Department of Revenue;~~

26 ~~(16) Semiannual period shall mean either the period which begins on~~
27 ~~January 1 and ends on June 30 of each year or the period which begins on~~
28 ~~July 1 and ends on December 31 of each year;~~

29 ~~(17) Producer shall mean any person who manufactures agricultural~~
30 ~~ethyl alcohol or biodiesel at an ethanol or biodiesel facility in this~~
31 ~~state;~~

1 ~~(18) Highway shall mean every way or place generally open to the use~~
2 ~~of the public for the purpose of vehicular travel, even though such way~~
3 ~~or place may be temporarily closed or travel thereon restricted for the~~
4 ~~purpose of construction, maintenance, repair, or reconstruction;~~

5 ~~(19) Kerosene shall mean kerosene meeting the specifications as~~
6 ~~found in the American Society for Testing and Materials publication D3699~~
7 ~~entitled Standard Specifications for Kerosene;~~

8 ~~(20) Biodiesel shall mean mono-alkyl esters of long chain fatty~~
9 ~~acids derived from vegetable oils or animal fats which conform to~~
10 ~~American Society for Testing and Materials D6751 specifications for use~~
11 ~~in diesel engines. Biodiesel refers to the pure fuel before blending with~~
12 ~~diesel fuel;~~

13 ~~(21) Motor fuels shall mean motor vehicle fuel, diesel fuel,~~
14 ~~aircraft fuel, or compressed fuel;~~

15 ~~(22) Ethanol facility shall mean a plant which produces agricultural~~
16 ~~ethyl alcohol; and~~

17 ~~(23) Biodiesel facility shall mean a plant which produces biodiesel.~~

18 Sec. 64. Section 66-4,105, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 66-4,105 (1)(a) ~~(1)~~ There is hereby levied and imposed an excise
21 tax in an amount set in subdivision (1)(b) ~~subsection (2)~~ of this
22 section, increased by the amounts imposed or determined under sections
23 66-489.02, 66-4,140, 66-4,145, and 66-4,146, upon the use of all motor
24 fuels used in this state and due the State of Nebraska under section
25 66-489. Users of motor fuels subject to taxation under this section shall
26 be allowed the same exemptions, deductions, and rights of reimbursement
27 as are authorized and permitted by Chapter 66, article 4, other than any
28 commissions provided under such article.

29 (b) ~~(2)~~ The excise tax shall be nine and one-half cents per
30 gallon. ÷

31 ~~(a) Seven and one-half cents per gallon through December 31, 2015;~~

1 ~~(b) Eight cents per gallon beginning on January 1, 2016, through~~
2 ~~December 31, 2016;~~

3 ~~(c) Eight and one-half cents per gallon beginning on January 1,~~
4 ~~2017, through December 31, 2017;~~

5 ~~(d) Nine cents per gallon beginning on January 1, 2018, through~~
6 ~~December 31, 2018; and~~

7 ~~(e) Nine and one-half cents per gallon beginning on January 1, 2019.~~

8 ~~(c) (3)~~ For purposes of this subsection ~~section~~ and section
9 66-4,106, use means the purchase or consumption of motor fuels in this
10 state.

11 (2) Beginning January 1, 2028, there is hereby levied and imposed an
12 excise tax of three cents per kilowatt hour on the electric energy used
13 to charge the battery of a motor vehicle at a commercial electric vehicle
14 charging station.

15 Sec. 65. Section 70-1001.01, Revised Statutes Supplement, 2023, is
16 amended to read:

17 70-1001.01 For purposes of sections 70-1001 to 70-1028 and sections
18 67 and 68 of this act, unless the context otherwise requires:

19 (1) Board means the Nebraska Power Review Board;

20 (2) Commercial electric vehicle charging station means equipment
21 designed to provide electricity for a fee for the charging of an electric
22 vehicle or a plug-in hybrid electric vehicle, including an electric
23 vehicle direct-current charger or a super-fast charger, any successor
24 technology, and all components thereof. Commercial electric vehicle
25 charging station does not include the residence of a person where an
26 electric vehicle or a plug-in hybrid electric vehicle is charged if no
27 customer usage fee is charged;

28 (3) Commercial electric vehicle charging station operator means a
29 person, partnership, corporation, or other business entity or political
30 subdivision that operates a commercial electric vehicle charging station;

31 (4) Direct-current, fast-charging station means a publicly available

1 charging system capable of delivering at least fifty kilowatts of direct-
2 current electrical power to an electric vehicle's rechargeable battery at
3 a voltage of two hundred volts or greater;

4 (5) Direct-current, fast-charging station operator means a person,
5 partnership, corporation, or other business entity that operates a
6 direct-current, fast-charging station open to the public. The term does
7 not include an electric supplier or a political subdivision;

8 (6) (2) Electric supplier or supplier of electricity means any legal
9 entity supplying, producing, or distributing electricity within the state
10 for sale at wholesale or retail. Electric supplier does not include a
11 commercial electric vehicle charging station operator that is a private
12 person or privately owned partnership, privately owned corporation, or
13 other privately owned business;

14 (7) Plug-in hybrid electric vehicle has the same meaning as in
15 section 61 of this act;

16 (8) (3) Private electric supplier means an electric supplier
17 producing electricity from a privately developed renewable energy
18 generation facility that is not a public power district, a public power
19 and irrigation district, a municipality, a registered group of
20 municipalities, an electric cooperative, an electric membership
21 association, any other governmental entity, or any combination thereof;

22 (9) (4) Privately developed renewable energy generation facility
23 means a facility that (a) generates electricity using solar, wind,
24 geothermal, biomass, landfill gas, or biogas, including all electrically
25 connected equipment used to produce, collect, and store the facility
26 output up to and including the transformer that steps up the voltage to
27 sixty thousand volts or greater, and including supporting structures,
28 buildings, and roads, unless otherwise agreed to in a joint transmission
29 development agreement, (b) is developed, constructed, and owned, in whole
30 or in part, by one or more private electric suppliers, and (c) is not
31 wholly owned by a public power district, a public power and irrigation

1 district, a municipality, a registered group of municipalities, an
2 electric cooperative, an electric membership association, any other
3 governmental entity, or any combination thereof;

4 (10) ~~(5)~~ Regional transmission organization means an entity
5 independent from those entities generating or marketing electricity at
6 wholesale or retail, which has operational control over the electric
7 transmission lines in a designated geographic area in order to reduce
8 constraints in the flow of electricity and ensure that all power
9 suppliers have open access to transmission lines for the transmission of
10 electricity;

11 (11) ~~(6)~~ Reliable or reliability means the ability of an electric
12 supplier to supply the aggregate electric power and energy requirements
13 of its electricity consumers in Nebraska at all times under normal
14 operating conditions, taking into account scheduled and unscheduled
15 outages, including sudden disturbances or unanticipated loss of system
16 components that are to be reasonably expected for any electric utility
17 following prudent utility practices, recognizing certain weather
18 conditions and other contingencies may cause outages at the distribution,
19 transmission, and generation level;

20 (12) ~~(7)~~ Representative organization means an organization
21 designated by the board and organized for the purpose of providing joint
22 planning and encouraging maximum cooperation and coordination among
23 electric suppliers. Such organization shall represent electric suppliers
24 owning a combined electric generation plant accredited capacity of at
25 least ninety percent of the total electric generation plant accredited
26 capacity constructed and in operation within the state;

27 (13) ~~(8)~~ State means the State of Nebraska; and

28 (14) ~~(9)~~ Unbundled retail rates means the separation of utility
29 bills into the individual price components for which an electric supplier
30 charges its retail customers, including, but not limited to, the separate
31 charges for the generation, transmission, and distribution of

1 electricity.

2 Sec. 66. Section 70-1002.02, Reissue Revised Statutes of Nebraska,
3 is amended to read:

4 70-1002.02 (1) No supplier shall offer, provide, or sell electric
5 energy at wholesale in areas, or to customers, in violation of any
6 agreement entered into and approved by the Nebraska Power Review Board
7 pursuant to section 70-1002.01.

8 (2) A commercial electric vehicle charging station operator may
9 receive electric energy solely from an electric supplier with the right
10 to serve the location of the commercial electric vehicle charging station
11 and shall not offer, provide, sell, or resell electric energy at
12 wholesale or retail for any purpose or use other than the charging of
13 electric vehicles at the location of the commercial electric vehicle
14 charging station. A commercial electric vehicle charging station operator
15 may charge electric vehicle charging customers on the basis of kilowatt-
16 hours consumed. A commercial electric vehicle charging station is subject
17 to the interconnection requirements, electric rates, and service
18 regulations of the electric supplier in whose certified service area the
19 commercial electric vehicle charging station is located. Nothing in
20 sections 70-1001 to 70-1028 shall prohibit an electric supplier from
21 owning and operating an electric vehicle charging station or recovering
22 its costs to provide electric service to a commercial electric vehicle
23 charging station.

24 (3) A commercial electric vehicle charging station funded in whole
25 or part by state or federal funds shall only be installed by an installer
26 who has obtained certification from the Electric Vehicle Infrastructure
27 Training Program.

28 (4) Nothing in this section shall be construed to prohibit the use
29 of batteries with a commercial electric vehicle charging station if such
30 battery is charged with electric energy received solely from an electric
31 supplier.

1 Sec. 67. (1) An electric supplier shall have the authority to own,
2 maintain, and operate a direct-current, fast-charging station for retail
3 services only under all of the following conditions:

4 (a) An electric supplier shall only develop, own, maintain, or
5 operate a direct-current, fast-charging station at a location which is at
6 least fifteen miles from a privately owned direct-current, fast-charging
7 station that is already existing or under construction and at least one
8 mile from an alternative fuel corridor designated by the Federal Highway
9 Administration; and

10 (b) Before beginning construction of a direct-current, fast-charging
11 station that is developed, owned, maintained, or operated by such
12 electric supplier, the electric supplier shall conduct a right of first
13 refusal process as follows:

14 (i) At least ninety days prior to beginning construction of a
15 direct-current, fast-charging station, the electric supplier shall
16 publish notice in a newspaper in or of general circulation in the county
17 where the direct-current, fast-charging station will be located as well
18 as on its website. Such notice shall contain the beginning construction
19 date, the construction location, the electric supplier's mailing address
20 and email address, and the method by which a direct-current, fast-
21 charging station operator may notify the electric supplier that such
22 direct-current, fast-charging station operator plans to provide a direct-
23 current, fast-charging station within fifteen miles of the proposed
24 construction location;

25 (ii) If during such ninety-day period one or more direct-current,
26 fast-charging station operators assert their right of first refusal by
27 providing notification as described under subdivision (1)(b)(i) of this
28 section, the electric supplier shall not construct the direct-current,
29 fast-charging station; and

30 (iii) If after the ninety-day period no direct-current, fast-
31 charging station operator has asserted a right of first refusal to

1 provide a direct-current, fast-charging station within fifteen miles of
2 the location proposed by an electric supplier, or if after notification
3 is received under subdivision (1)(b)(i) of this section no direct-
4 current, fast-charging station service is provided within eighteen months
5 by a direct-current, fast-charging station operator, the electric
6 supplier may proceed with construction of a direct-current, fast-charging
7 station at the proposed location.

8 (2) An electric supplier that provides a direct-current, fast-
9 charging station pursuant to this section shall do so under rates, tolls,
10 rents, and charges that shall be fair, reasonable, nondiscriminatory, and
11 available to all direct-current, fast-charging station operators in the
12 electric supplier's service territory for the purposes of operating
13 direct-current, fast-charging stations.

14 (3) This section shall terminate on December 31, 2027.

15 Sec. 68. (1) Effective on January 1, 2028, an electric supplier
16 shall not develop, own, maintain, or operate a direct-current, fast-
17 charging station within ten miles of a privately owned direct-current
18 fast-charging station that is already in commercial operation or has a
19 pending building permit and interconnection request to the electric
20 supplier, on January 1, 2028.

21 (2) An electric supplier that operates a direct-current, fast-
22 charging station shall provide electric vehicle charging under rates,
23 tolls, rents, and charges that are fair, reasonable, and
24 nondiscriminatory, and available to all direct-current, fast-charging
25 station operators in the electric supplier's service territory for the
26 purpose of operating direct-current, fast-charging stations.

27 Sec. 69. (1) For purposes of this section, restricted entity means:

28 (a) Any person or entity identified on the sanctions lists
29 maintained by the Office of Foreign Assets Control of the United States
30 Department of the Treasury;

31 (b) Any person or foreign government or entity determined by the

1 United States Secretary of Commerce to have engaged in a long-term
2 pattern or serious instances of conduct significantly adverse to the
3 national security of the United States pursuant to 15 C.F.R. 7.4; or

4 (c) Any person or foreign government or entity designated as a
5 restricted entity by the Governor or a state agency under the authority
6 of any other statute.

7 (2) State agencies shall require a certificate from the recipient of
8 state funds or any funds administered by a state agency used for the
9 installation or purchase of commercial electric vehicle charging stations
10 or a direct-current, fast-charging stations certifying that all component
11 parts of a commercial electric vehicle charging station or a direct-
12 current, fast-charging station which are capable of storing data,
13 transmitting information via internet connection, or remotely controlling
14 the operation of the commercial electric vehicle charging station or
15 direct-current, fast-charging station are not to be produced,
16 manufactured, or assembled by a restricted entity.

17 Sec. 70. Section 77-101, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-101 For purposes of Chapter 77 and any statutes dealing with
20 taxation, unless the context otherwise requires, the definitions found in
21 sections 77-102 to 77-132 and section 72 of this act shall be used.

22 Sec. 71. Section 77-106, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 77-106 The term money includes all kinds of coin and all kinds of
25 paper, issued by or under authority of the United States, circulating as
26 money. Money does not include central bank digital currency.

27 Sec. 72. Central bank digital currency means any digital currency,
28 digital medium of exchange, or digital monetary unit of account issued by
29 the United States Federal Reserve System, a federal agency, a foreign
30 government, a foreign central bank, or a foreign reserve system, that is
31 made directly available to a consumer by such entities, and includes any

1 such digital currency, digital medium of exchange, or digital monetary
2 unit of account that is processed or validated directly by such entities.

3 Sec. 73. Section 77-202, Revised Statutes Cumulative Supplement,
4 2022, is amended to read:

5 77-202 (1) The following property shall be exempt from property
6 taxes:

7 (a) Property of the state and its governmental subdivisions to the
8 extent used or being developed for use by the state or governmental
9 subdivision for a public purpose. For purposes of this subdivision:

10 (i) Property of the state and its governmental subdivisions means
11 (A) property held in fee title by the state or a governmental subdivision
12 or (B) property beneficially owned by the state or a governmental
13 subdivision in that it is used for a public purpose and is being acquired
14 under a lease-purchase agreement, financing lease, or other instrument
15 which provides for transfer of legal title to the property to the state
16 or a governmental subdivision upon payment of all amounts due thereunder.
17 If the property to be beneficially owned by a governmental subdivision
18 has a total acquisition cost that exceeds the threshold amount or will be
19 used as the site of a public building with a total estimated construction
20 cost that exceeds the threshold amount, then such property shall qualify
21 for an exemption under this section only if the question of acquiring
22 such property or constructing such public building has been submitted at
23 a primary, general, or special election held within the governmental
24 subdivision and has been approved by the voters of the governmental
25 subdivision. For purposes of this subdivision, threshold amount means the
26 greater of fifty thousand dollars or six-tenths of one percent of the
27 total actual value of real and personal property of the governmental
28 subdivision that will beneficially own the property as of the end of the
29 governmental subdivision's prior fiscal year; and

30 (ii) Public purpose means use of the property (A) to provide public
31 services with or without cost to the recipient, including the general

1 operation of government, public education, public safety, transportation,
2 public works, civil and criminal justice, public health and welfare,
3 developments by a public housing authority, parks, culture, recreation,
4 community development, and cemetery purposes, or (B) to carry out the
5 duties and responsibilities conferred by law with or without
6 consideration. Public purpose does not include leasing of property to a
7 private party unless the lease of the property is at fair market value
8 for a public purpose. Leases of property by a public housing authority to
9 low-income individuals as a place of residence are for the authority's
10 public purpose;

11 (b) Unleased property of the state or its governmental subdivisions
12 which is not being used or developed for use for a public purpose but
13 upon which a payment in lieu of taxes is paid for public safety, rescue,
14 and emergency services and road or street construction or maintenance
15 services to all governmental units providing such services to the
16 property. Except as provided in Article VIII, section 11, of the
17 Constitution of Nebraska, the payment in lieu of taxes shall be based on
18 the proportionate share of the cost of providing public safety, rescue,
19 or emergency services and road or street construction or maintenance
20 services unless a general policy is adopted by the governing body of the
21 governmental subdivision providing such services which provides for a
22 different method of determining the amount of the payment in lieu of
23 taxes. The governing body may adopt a general policy by ordinance or
24 resolution for determining the amount of payment in lieu of taxes by
25 majority vote after a hearing on the ordinance or resolution. Such
26 ordinance or resolution shall nevertheless result in an equitable
27 contribution for the cost of providing such services to the exempt
28 property;

29 (c) Property owned by and used exclusively for agricultural and
30 horticultural societies;

31 (d)(i) ~~(d)~~ Property owned by educational, religious, charitable, or

1 cemetery organizations, or any organization for the exclusive benefit of
2 any such educational, religious, charitable, or cemetery organization,
3 and used exclusively for educational, religious, charitable, or cemetery
4 purposes, when such property is not (A) (i) owned or used for financial
5 gain or profit to either the owner or user, (B) (ii) used for the sale of
6 alcoholic liquors for more than twenty hours per week, or (C) (iii) owned
7 or used by an organization which discriminates in membership or
8 employment based on race, color, or national origin.

9 (ii) For purposes of subdivision (1)(d) of this section:

10 (A) Educational this subdivision, educational organization means (I)
11 (A) an institution operated exclusively for the purpose of offering
12 regular courses with systematic instruction in academic, vocational, or
13 technical subjects or assisting students through services relating to the
14 origination, processing, or guarantying of federally reinsured student
15 loans for higher education or (II) (B) a museum or historical society
16 operated exclusively for the benefit and education of the public; and -

17 (B) Charitable For purposes of this subdivision, charitable
18 organization includes (I) an organization operated exclusively for the
19 purpose of the mental, social, or physical benefit of the public or an
20 indefinite number of persons and (II) a fraternal benefit society
21 organized and licensed under sections 44-1072 to 44-10,109. ; and

22 (iii) The property tax exemption authorized in subdivision (1)(d)(i)
23 of this section shall apply to any skilled nursing facility as defined in
24 section 71-429, nursing facility as defined in section 71-424, or
25 assisted-living facility as defined in section 71-5903 that provides
26 housing for medicaid beneficiaries, except that the exemption amount for
27 such property shall be a percentage of the property taxes that would
28 otherwise be due. Such percentage shall be equal to the average
29 percentage of occupied beds in the facility provided to medicaid
30 beneficiaries over the most recent three-year period.

31 (iv) The property tax exemption authorized in subdivision (1)(d)(i)

1 of this section shall apply to a building that (A) is owned by a
2 charitable organization, (B) is made available to students in attendance
3 at an educational institution, and (C) is recognized by such educational
4 institution as approved student housing, except that the exemption shall
5 only apply to the commons area of such building, including any common
6 rooms and cooking and eating facilities; and

7 (e) Household goods and personal effects not owned or used for
8 financial gain or profit to either the owner or user.

9 (2) The increased value of land by reason of shade and ornamental
10 trees planted along the highway shall not be taken into account in the
11 valuation of land.

12 (3) Tangible personal property which is not depreciable tangible
13 personal property as defined in section 77-119 shall be exempt from
14 property tax.

15 (4) Motor vehicles, trailers, and semitrailers required to be
16 registered for operation on the highways of this state shall be exempt
17 from payment of property taxes.

18 (5) Business and agricultural inventory shall be exempt from the
19 personal property tax. For purposes of this subsection, business
20 inventory includes personal property owned for purposes of leasing or
21 renting such property to others for financial gain only if the personal
22 property is of a type which in the ordinary course of business is leased
23 or rented thirty days or less and may be returned at the option of the
24 lessee or renter at any time and the personal property is of a type which
25 would be considered household goods or personal effects if owned by an
26 individual. All other personal property owned for purposes of leasing or
27 renting such property to others for financial gain shall not be
28 considered business inventory.

29 (6) Any personal property exempt pursuant to subsection (2) of
30 section 77-4105 or section 77-5209.02 shall be exempt from the personal
31 property tax.

1 (7) Livestock shall be exempt from the personal property tax.

2 (8) Any personal property exempt pursuant to the Nebraska Advantage
3 Act or the Imagine Nebraska Act shall be exempt from the personal
4 property tax.

5 (9) Any depreciable tangible personal property used directly in the
6 generation of electricity using wind as the fuel source shall be exempt
7 from the property tax levied on depreciable tangible personal property.
8 Any depreciable tangible personal property used directly in the
9 generation of electricity using solar, biomass, or landfill gas as the
10 fuel source shall be exempt from the property tax levied on depreciable
11 tangible personal property if such depreciable tangible personal property
12 was installed on or after January 1, 2016, and has a nameplate capacity
13 of one hundred kilowatts or more. Depreciable tangible personal property
14 used directly in the generation of electricity using wind, solar,
15 biomass, or landfill gas as the fuel source includes, but is not limited
16 to, wind turbines, rotors and blades, towers, solar panels, trackers,
17 generating equipment, transmission components, substations, supporting
18 structures or racks, inverters, and other system components such as
19 wiring, control systems, switchgears, and generator step-up transformers.

20 (10) Any tangible personal property that is acquired by a person
21 operating a data center located in this state, that is assembled,
22 engineered, processed, fabricated, manufactured into, attached to, or
23 incorporated into other tangible personal property, both in component
24 form or that of an assembled product, for the purpose of subsequent use
25 at a physical location outside this state by the person operating a data
26 center shall be exempt from the personal property tax. Such exemption
27 extends to keeping, retaining, or exercising any right or power over
28 tangible personal property in this state for the purpose of subsequently
29 transporting it outside this state for use thereafter outside this state.
30 For purposes of this subsection, data center means computers, supporting
31 equipment, and other organized assembly of hardware or software that are

1 designed to centralize the storage, management, or dissemination of data
2 and information, environmentally controlled structures or facilities or
3 interrelated structures or facilities that provide the infrastructure for
4 housing the equipment, such as raised flooring, electricity supply,
5 communication and data lines, Internet access, cooling, security, and
6 fire suppression, and any building housing the foregoing.

7 (11) For tax years prior to tax year 2020, each person who owns
8 property required to be reported to the county assessor under section
9 77-1201 shall be allowed an exemption amount as provided in the Personal
10 Property Tax Relief Act. For tax years prior to tax year 2020, each
11 person who owns property required to be valued by the state as provided
12 in section 77-601, 77-682, 77-801, or 77-1248 shall be allowed a
13 compensating exemption factor as provided in the Personal Property Tax
14 Relief Act.

15 (12)(a) Broadband equipment shall be exempt from the personal
16 property tax if such broadband equipment is:

17 (i) Deployed in an area funded in whole or in part by funds from the
18 Broadband Equity, Access, and Deployment Program, authorized by the
19 federal Infrastructure Investment and Jobs Act, Public Law 117-58; or

20 (ii) Deployed in a qualified census tract located within the
21 corporate limits of a city of the metropolitan class and being utilized
22 to provide end-users with access to the Internet at speeds of at least
23 one hundred megabits per second for downloading and at least one hundred
24 megabits per second for uploading.

25 (b) An owner of broadband equipment seeking an exemption under this
26 section shall apply for an exemption to the county assessor on or before
27 December 31 of the year preceding the year for which the exemption is to
28 begin. If the broadband equipment meets the criteria described in this
29 subsection, the county assessor shall approve the application within
30 thirty calendar days after receiving the application. The application
31 shall be on forms prescribed by the Tax Commissioner.

1 (c) For purposes of this subsection:

2 (i) Broadband communications service means telecommunications
3 service as defined in section 86-121, video programming as defined in 47
4 U.S.C. 522, as such section existed on January 1, 2024, or Internet
5 access as defined in section 1104 of the federal Internet Tax Freedom
6 Act, Public Law 105-277;

7 (ii) Broadband equipment means machinery or equipment used to
8 provide broadband communications service and includes, but is not limited
9 to, wires, cables, fiber, conduits, antennas, poles, switches, routers,
10 amplifiers, rectifiers, repeaters, receivers, multiplexers, duplexers,
11 transmitters, circuit cards, insulating and protective materials and
12 cases, power equipment, backup power equipment, diagnostic equipment,
13 storage devices, modems, and other general central office or headend
14 equipment, such as channel cards, frames, and cabinets, or equipment used
15 in successor technologies, including items used to monitor, test,
16 maintain, enable, or facilitate qualifying equipment, machinery,
17 software, ancillary components, appurtenances, accessories, or other
18 infrastructure that is used in whole or in part to provide broadband
19 communications service. Machinery or equipment used to produce broadband
20 communications service does not include personal consumer electronics,
21 including, but not limited to, smartphones, computers, and tablets; and

22 (iii) Qualified census tract means a qualified census tract as
23 defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on
24 January 1, 2024.

25 Sec. 74. Section 77-202.01, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 77-202.01 (1) Any organization or society seeking a tax exemption
28 provided in subdivisions (1)(c) and (d) of section 77-202 for any real or
29 tangible personal property, except real property used for cemetery
30 purposes, shall apply for exemption to the county assessor on or before
31 December 31 of the year preceding the year for which the exemption is

1 sought on forms prescribed by the Tax Commissioner. Applications that
2 lack an estimated valuation, or any other required information, shall
3 result in the denial of the requested exemption. The county assessor
4 shall examine the application and recommend either taxable or exempt for
5 the real property or tangible personal property to the county board of
6 equalization on or before March 1 following. For applications involving
7 property described in subdivision (1)(d)(iii) or (iv) of section 77-202,
8 the county assessor shall also calculate the exemption amount for the
9 property and shall submit such calculation to the county board of
10 equalization along with his or her recommendations. Notice that a list of
11 the applications from organizations seeking tax exemption, descriptions
12 of the property, and recommendations of the county assessor are available
13 in the county assessor's office shall be published in a newspaper of
14 general circulation in the county at least ten days prior to
15 consideration of any application by the county board of equalization.

16 (2) Any organization or society which fails to file an exemption
17 application on or before December 31 may apply on or before June 30 to
18 the county assessor. The organization or society shall also file in
19 writing a request with the county board of equalization for a waiver so
20 that the county assessor may consider the application for exemption. The
21 county board of equalization shall grant the waiver upon a finding that
22 good cause exists for the failure to make application on or before
23 December 31. When the waiver is granted, the county assessor shall
24 examine the application and recommend either taxable or exempt for the
25 real property or tangible personal property to the county board of
26 equalization, shall calculate the exemption amount for any property
27 described in subdivision (1)(d)(iii) or (iv) of section 77-202, and shall
28 assess a penalty against the property of ten percent of the tax that
29 would have been assessed had the waiver been denied or one hundred
30 dollars, whichever is less, for each calendar month or fraction thereof
31 for which the filing of the exemption application missed the December 31

1 deadline. The penalty shall be collected and distributed in the same
2 manner as a tax on the property and interest shall be assessed at the
3 rate specified in section 45-104.01, as such rate may from time to time
4 be adjusted by the Legislature, from the date the tax would have been
5 delinquent until paid. The penalty shall also become a lien in the same
6 manner as a tax pursuant to section 77-203.

7 Sec. 75. Section 77-202.03, Revised Statutes Cumulative Supplement,
8 2022, is amended to read:

9 77-202.03 (1) Except as provided in section 77-202.10 and subsection
10 (2) of this section, a A properly granted exemption of real or tangible
11 personal property, ~~except real property used for cemetery purposes,~~
12 provided for in subdivisions (1)(c) and (d) of section 77-202 shall
13 continue for a period of four years if the statement of reaffirmation of
14 exemption required by subsection (3) ~~(2)~~ of this section is filed when
15 due. The four-year period shall begin with years evenly divisible by
16 four.

17 (2) An owner of property which has been granted an exemption under
18 subdivision (1)(d)(iii) or (iv) of section 77-202 shall be required to
19 reapply for the exemption each year so that the exemption amount for the
20 year can be recalculated.

21 (3) (2) In each intervening year occurring between application
22 years, the organization or society which filed the granted exemption
23 application for the real or tangible personal property, except real
24 property used for cemetery purposes and real property described in
25 subdivision (1)(d)(iii) or (iv) of section 77-202, shall file a statement
26 of reaffirmation of exemption with the county assessor on or before
27 December 31 of the year preceding the year for which the exemption is
28 sought, on forms prescribed by the Tax Commissioner, certifying that the
29 ownership and use of the exempted property has not changed during the
30 year. Any organization or society which misses the December 31 deadline
31 for filing the statement of reaffirmation of exemption may file the

1 statement of reaffirmation of exemption by June 30. Such filing shall
2 maintain the tax-exempt status of the property without further action by
3 the county and regardless of any previous action by the county board of
4 equalization to deny the exemption due to late filing of the statement of
5 reaffirmation of exemption. Upon any such late filing, the county
6 assessor shall assess a penalty against the property of ten percent of
7 the tax that would have been assessed had the statement of reaffirmation
8 of exemption not been filed or one hundred dollars, whichever is less,
9 for each calendar month or fraction thereof for which the filing of the
10 statement of reaffirmation of exemption is late. The penalty shall be
11 collected and distributed in the same manner as a tax on the property and
12 interest shall be assessed at the rate specified in section 45-104.01, as
13 such rate may from time to time be adjusted by the Legislature, from the
14 date the tax would have been delinquent until paid. The penalty shall
15 also become a lien in the same manner as a tax pursuant to section
16 77-203.

17 (4)(a) ~~(3)(a)~~ If any organization or society seeks a tax exemption
18 for any real or tangible personal property acquired on or after January 1
19 of any year or converted to exempt use on or after January 1 of any year,
20 the organization or society shall make application for exemption on or
21 before July 1 of that year as provided in subsection (1) of section
22 77-202.01. The procedure for reviewing the application shall be as in
23 sections 77-202.01 to 77-202.05, except that the exempt use shall be
24 determined as of the date of application and the review by the county
25 board of equalization shall be completed by August 15.

26 (b) If an organization as described in subdivision (1)(c) or (d) of
27 section 77-202 purchases, between July 1 and the levy date, property that
28 has been granted tax exemption and the property continues to be qualified
29 for a property tax exemption, the purchaser shall on or before November
30 15 make application for exemption as provided in section 77-202.01. The
31 procedure for reviewing the application shall be as in sections 77-202.01

1 to 77-202.05, and the review by the county board of equalization shall be
2 completed by December 15.

3 (5) ~~(4)~~ In any year, the county assessor or the county board of
4 equalization may cause a review of any exemption to determine whether the
5 exemption is proper. Such a review may be taken even if the ownership or
6 use of the property has not changed from the date of the allowance of the
7 exemption. If it is determined that a change in an exemption is
8 warranted, the procedure for hearing set out in section 77-202.02 shall
9 be followed, except that the published notice shall state that the list
10 provided in the county assessor's office only includes those properties
11 being reviewed. If an exemption is denied, the county board of
12 equalization shall place the property on the tax rolls retroactive to
13 January 1 of that year if on the date of the decision of the county board
14 of equalization the property no longer qualifies for an exemption.

15 The county board of equalization shall give notice of the assessed
16 value of the real property in the same manner as outlined in section
17 77-1507, and the procedures for filing a protest shall be the same as
18 those in section 77-1502.

19 When personal property which was exempt becomes taxable because of
20 lost exemption status, the owner or his or her agent has thirty days
21 after the date of denial to file a personal property return with the
22 county assessor. Upon the expiration of the thirty days for filing a
23 personal property return pursuant to this subsection, the county assessor
24 shall proceed to list and value the personal property and apply the
25 penalty pursuant to section 77-1233.04.

26 (6) ~~(5)~~ During the month of September of each year, the county board
27 of equalization shall cause to be published in a paper of general
28 circulation in the county a list of all real estate in the county exempt
29 from taxation for that year pursuant to subdivisions (1)(c) and (d) of
30 section 77-202. Such list shall be grouped into categories as provided by
31 the Property Tax Administrator. An electronic copy of the list of real

1 property exemptions and a copy of the proof of publication shall be
2 forwarded to the Property Tax Administrator on or before November 1 of
3 each year.

4 Sec. 76. Section 77-1333, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 77-1333 (1) For purposes of this section, rent-restricted housing
7 project means a project consisting of five or more houses or residential
8 units that has received an allocation of federal low-income housing tax
9 credits under section 42 of the Internal Revenue Code from the Nebraska
10 Investment Finance Authority or its successor agency and, for the year of
11 assessment, is a project as defined in section 58-219 involving rental
12 housing as defined in section 58-220.

13 (2) The Legislature finds that:

14 (a) The provision of safe, decent, and affordable housing to all
15 residents of the State of Nebraska is a matter of public concern and
16 represents a legitimate and compelling state need, affecting the general
17 welfare of all residents;

18 (b) Rent-restricted housing projects effectively provide safe,
19 decent, and affordable housing for residents of Nebraska;

20 (c) Such projects are restricted by federal law as to the rents paid
21 by the tenants thereof. Such restrictions are set forth in a land-use
22 restriction agreement, which is a restriction applicable to real property
23 under section 77-112;

24 (d) Of all the professionally accepted mass appraisal methodologies,
25 which include the sales comparison approach, the income approach, and the
26 cost approach, the utilization of the income-approach methodology results
27 in the most accurate determination of the actual value of such projects;
28 and

29 (e) This section is intended to (i) further the provision of safe,
30 decent, and affordable housing to all residents of Nebraska and (ii)
31 comply with Article VIII, section 1, of the Constitution of Nebraska,

1 which empowers the Legislature to prescribe standards and methods for the
2 determination of value of real property at uniform and proportionate
3 values.

4 (3) Except as otherwise provided in this section, the county
5 assessor shall utilize an income-approach calculation to determine the
6 actual value of a rent-restricted housing project when determining the
7 assessed valuation to place on the property for each assessment year. The
8 income-approach calculation shall be consistent with this section and any
9 rules and regulations adopted and promulgated by the Tax Commissioner and
10 shall comply with professionally accepted mass appraisal techniques.

11 (4) The Rent-Restricted Housing Projects Valuation Committee is
12 created. For administrative purposes only, the committee shall be within
13 the Department of Revenue. The committee's purpose shall be to develop a
14 market-derived capitalization rate to be used by county assessors in
15 determining the assessed valuation for rent-restricted housing projects.
16 The committee shall consist of the following four persons:

17 (a) A representative of county assessors appointed by the Tax
18 Commissioner. Such representative shall be skilled in the valuation of
19 property and shall hold a certificate issued under section 77-422;

20 (b) A representative of the low-income housing industry appointed by
21 the Tax Commissioner. The appointment shall be based on a recommendation
22 made by the Nebraska Commission on Housing and Homelessness;

23 (c) The Property Tax Administrator or a designee of the Property Tax
24 Administrator who holds a certificate issued under section 77-422. Such
25 person shall serve as the chairperson of the committee; and

26 (d) An appraiser from the private sector appointed by the Tax
27 Commissioner. Such appraiser must hold either a valid credential as a
28 certified general real property appraiser under the Real Property
29 Appraiser Act or an MAI designation from the Appraisal Institute.

30 (5) The owner of a rent-restricted housing project shall file a
31 statement electronically on a form prescribed by the Tax Commissioner

1 with the Rent-Restricted Housing Projects Valuation Committee on or
2 before July 1 of each year that includes (a) details actual income and
3 actual expense data for the prior year or, in the case of an initial
4 statement filed for any project under this subsection, the estimated
5 income and expenses for the first year of operation taken from the
6 application for an allocation of tax credits or private activity bonds,
7 (b) a description of any land-use restrictions, (c) a description of the
8 terms of any mortgage loans, including loan amount, interest rate, and
9 amortization period, and (d) such other information as the committee or
10 the county assessor may require for purposes of this section. The
11 Department of Revenue, on behalf of the committee, shall forward such
12 statements on or before August 15 of each year to the county assessor of
13 each county in which a rent-restricted housing project is located.

14 (6) The Rent-Restricted Housing Projects Valuation Committee shall
15 meet annually in November to examine the information on rent-restricted
16 housing projects that was provided pursuant to subsection (5) of this
17 section. The Department of Revenue shall electronically publish notice of
18 such meeting no less than thirty days in advance. The committee shall
19 also solicit information on the sale of any such rent-restricted housing
20 projects and information on the yields generated to investors in rent-
21 restricted housing projects. The committee shall, after reviewing all
22 such information, calculate a market-derived capitalization rate on an
23 annual basis using the band-of-investment technique or other generally
24 accepted technique used to derive capitalization rates depending upon the
25 data available. The capitalization rate shall be a composite rate
26 weighted by the proportions of total property investment represented by
27 equity and debt, with equity weighted at eighty percent and debt weighted
28 at twenty percent unless a substantially different market capital
29 structure can be verified to the county assessor. The yield for equity
30 shall be calculated using the data on investor returns gathered by the
31 committee. The yield for debt shall be calculated using the data provided

1 to the committee pursuant to subsection (5) of this section. If the
2 committee determines that a particular county or group of counties
3 requires a different capitalization rate than that calculated for the
4 rest of the state pursuant to this subsection, then the committee may
5 calculate an additional capitalization rate that will apply only to such
6 county or group of counties.

7 (7) After the Rent-Restricted Housing Projects Valuation Committee
8 has calculated the capitalization rate or rates under subsection (6) of
9 this section, the committee shall provide such rate or rates and the
10 information reviewed by the committee in calculating such rate or rates
11 in an annual report. Such report shall be forwarded by the Property Tax
12 Administrator to each county assessor in Nebraska no later than December
13 1 of each year for his or her use in determining the valuation of rent-
14 restricted housing projects. The Department of Revenue shall publish the
15 annual report electronically but may charge a fee for paper copies. The
16 Tax Commissioner shall set the fee based on the reasonable cost of
17 producing the report.

18 (8) Except as provided in subsections (9) through (11) of this
19 section, each county assessor shall use the capitalization rate or rates
20 contained in the report received under subsection (7) of this section and
21 the ~~actual~~ income and ~~actual~~ expense data filed by owners of rent-
22 restricted housing projects under subdivision (5)(a) ~~subsection (5)~~ of
23 this section in the county assessor's income-approach calculation for the
24 year. The county assessor shall then use the calculated amount, along
25 with the calculated amounts from the prior two years, to determine a
26 three-year average. Such three-year average shall be the valuation placed
27 on the rent-restricted housing project for the current year. If only two
28 calculated amounts are available, the county assessor shall determine a
29 two-year average, and such two-year average shall be the valuation placed
30 on the rent-restricted housing project for the current year. If only one
31 calculated amount is available, such calculated amount shall be the

1 valuation placed on the rent-restricted housing project for the current
2 year. Any low-income housing tax credits authorized under section 42 of
3 the Internal Revenue Code that were granted to owners of the project
4 shall not be considered income for purposes of the calculation.

5 (9) If the ~~actual~~ income and ~~actual~~ expense data required to be
6 filed for a rent-restricted housing project under subdivision (5)(a)
7 ~~subsection (5)~~ of this section is not filed in a timely manner, the
8 county assessor may use any method for determining actual value for such
9 rent-restricted housing project that is consistent with professionally
10 accepted mass appraisal methods described in section 77-112, so long as
11 such method values the property as a rent-restricted housing project.

12 (10) If a county assessor, based on the facts and circumstances,
13 believes that the income-approach calculation does not result in a
14 valuation of a specific rent-restricted housing project at its actual
15 value as a rent-restricted housing project, then the county assessor
16 shall present such facts and circumstances to the county board of
17 equalization. If the county board of equalization, based on such facts
18 and circumstances, concurs with the county assessor, then the county
19 board of equalization shall petition the Tax Equalization and Review
20 Commission to consider the county assessor's utilization of another
21 professionally accepted mass appraisal technique that, based on the facts
22 and circumstances presented by a county board of equalization, would
23 result in a substantially different determination of actual value of the
24 rent-restricted housing project. Petitions must be filed no later than
25 January 31. The burden of proof is on the petitioning county board of
26 equalization to show that failure to make a determination that a
27 different methodology should be used would result in a value for such
28 rent-restricted housing project that is not equitable and in accordance
29 with the law. At the hearing, the commission may receive testimony from
30 any interested person. After a hearing, the commission shall, within the
31 powers granted in section 77-5007, enter its order based on evidence

1 presented to it at such hearing.

2 (11) If the Tax Commissioner, based on the facts and circumstances,
3 believes that the applicable capitalization rate set by the Rent-
4 Restricted Housing Projects Valuation Committee to value a rent-
5 restricted housing project does not result in a valuation at actual value
6 for such rent-restricted housing project, then the Tax Commissioner shall
7 petition the Tax Equalization and Review Commission to consider an
8 adjustment to the capitalization rate of such rent-restricted housing
9 project. Petitions must be filed no later than January 31. The burden of
10 proof is on the Tax Commissioner to show that failure to make an
11 adjustment to the capitalization rate employed would result in a value
12 that is not equal to the rent-restricted housing project's actual value
13 as a rent-restricted housing project. At the hearing, the commission may
14 receive testimony from any interested person. After a hearing, the
15 commission shall, within the powers granted in section 77-5007, enter its
16 order based on evidence presented to it at such hearing.

17 Sec. 77. (1) The Legislature finds that:

18 (a) The provision of safe, decent, and affordable housing to all
19 residents of the State of Nebraska is a matter of public concern and
20 represents a legitimate and compelling state need, affecting the general
21 welfare of all residents;

22 (b) Sales-restricted houses effectively provide safe, decent, and
23 affordable housing to residents of Nebraska;

24 (c) Sales-restricted houses are restricted by tools such as deed
25 restrictions, covenants, land-lease agreements, and other similar
26 recorded instruments that establish a period of affordability for low-
27 income persons; and

28 (d) These restrictions alter the value of the property by limiting
29 an owner's ability to sell the property.

30 (2) For purposes of this section:

31 (a) Charitable nonprofit housing organization means a charitable

1 nonprofit organization whose primary purpose is the construction or
2 renovation of residential housing for conveyance to low-income persons;

3 (b) Low-income person means a person with a household income of not
4 more than one hundred twenty percent of the area median income, as
5 determined by the United States Department of Housing and Urban
6 Development;

7 (c) Primary residence means the home or place in which an
8 individual's habitation is fixed and to which the individual has a
9 present intention of returning after an absence therefrom, regardless of
10 the duration of the absence; and

11 (d) Sales-restricted house means a residential single-family
12 property that is subject to restrictions, created pursuant to a deed
13 restriction, covenant, land-lease agreement, or other similar recorded
14 instrument, that:

15 (i) Limit the ability of the owner to sell the property in an arm's
16 length transaction;

17 (ii) Are attached to the property for a minimum period of twenty
18 years;

19 (iii) Require the property to be the primary residence of an owner
20 of the property;

21 (iv) Restrict the owner from selling the property to any buyer who
22 is not a low-income person or a charitable nonprofit housing
23 organization; and

24 (v) Were placed on the property by a charitable nonprofit housing
25 organization upon such organization's conveyance of the property to a
26 low-income person.

27 (3) Any organization or individual that owns a sales-restricted
28 house may file an application with the county assessor of the county in
29 which the sales-restricted house is located for a property valuation
30 under this section. Application shall be made on a form prescribed by the
31 Tax Commissioner. The application shall include (a) information

1 describing the location of the sales-restricted house and (b) details on
2 the sales restriction.

3 (4) Upon receipt of the application, the county assessor shall
4 determine:

5 (a) The value of the sales-restricted house at its unrestricted
6 appraised value; and

7 (b) The maximum sales price allowed for the sales-restricted house
8 under the applicable restrictions.

9 (5) The county assessor shall use the lesser of the two values
10 described in subsection (4) of this section for purposes of determining
11 the value of the property under section 77-201.

12 Sec. 78. Section 77-1359, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 77-1359 The Legislature finds and declares that agricultural land
15 and horticultural land shall be a separate and distinct class of real
16 property for purposes of assessment. The assessed value of agricultural
17 land and horticultural land shall not be uniform and proportionate with
18 all other real property, but the assessed value shall be uniform and
19 proportionate within the class of agricultural land and horticultural
20 land.

21 For purposes of this section and section 77-1363:

22 (1)(a) ~~(1)~~ Agricultural land and horticultural land means a parcel
23 of land, excluding land associated with a building or enclosed structure
24 located on the parcel, which is primarily used for agricultural or
25 horticultural purposes, including wasteland lying in or adjacent to and
26 in common ownership or management with other agricultural land and
27 horticultural land. ÷

28 (b) Agricultural land and horticultural land does not include land
29 used for commercial purposes that are not agricultural or horticultural
30 purposes, such as land used for a solar farm or wind farm;

31 (2)(a) Agricultural or horticultural purposes means used for the

1 commercial production of any plant or animal product in a raw or
2 unprocessed state that is derived from the science and art of
3 agriculture, aquaculture, or horticulture. ~~÷~~

4 (b) Agricultural or horticultural purposes includes the following
5 uses of land:

6 (i) Land retained or protected for future agricultural or
7 horticultural purposes under a conservation easement as provided in the
8 Conservation and Preservation Easements Act except when the parcel or a
9 portion thereof is being used for purposes other than agricultural or
10 horticultural purposes; and

11 (ii) Land enrolled in a federal or state program in which payments
12 are received for removing such land from agricultural or horticultural
13 production. ~~÷ and~~

14 (c) Whether a parcel of land is primarily used for agricultural or
15 horticultural purposes shall be determined without regard to whether some
16 or all of the parcel is platted and subdivided into separate lots or
17 developed with improvements consisting of streets, sidewalks, curbs,
18 gutters, sewer lines, water lines, or utility lines;

19 (3) Farm home site means land contiguous to a farm site which
20 includes an inhabitable residence and improvements used for residential
21 purposes and which is located outside of urban areas or outside a platted
22 and zoned subdivision; and

23 (4) Farm site means the portion of land contiguous to land actively
24 devoted to agriculture which includes improvements that are agricultural
25 or horticultural in nature, including any uninhabitable or unimproved
26 farm home site.

27 Sec. 79. Section 77-2015, Revised Statutes Supplement, 2023, is
28 amended to read:

29 77-2015 (1)(a) ~~(1)~~ Each petitioner in a proceeding to determine
30 inheritance tax shall, upon the entry of an order determining inheritance
31 tax, if any, submit a report regarding inheritance taxes to the county

1 treasurer of each the county in which the inheritance tax is owed
2 determination was conducted. If such reported inheritance taxes are
3 changed or amended, the petitioner shall submit an amended report
4 regarding such changed or amended inheritance taxes to the county
5 treasurer of each county in which the inheritance taxes were changed or
6 amended. No inheritance tax may be paid or refunded before the report or
7 amended report, if required, is submitted. In the event of noncompliance
8 by the petitioner, the county treasurer or county attorney of the county
9 in which inheritance tax is owed may complete the form in place of the
10 petitioner.

11 (b) Until June 30, 2024, the ~~The~~ report or amended report shall be
12 submitted on a form prescribed by the Department of Revenue and shall
13 include the following information:

14 (i) ~~(a)~~ The amount of inheritance tax revenue generated under
15 section 77-2004 and the number of persons receiving property that was
16 subject to tax under section 77-2004 and on which inheritance tax was
17 assessed;

18 (ii) ~~(b)~~ The amount of inheritance tax revenue generated under
19 section 77-2005 and the number of persons receiving property that was
20 subject to tax under section 77-2005 and on which inheritance tax was
21 assessed;

22 (iii) ~~(c)~~ The amount of inheritance tax revenue generated under
23 section 77-2006 and the number of persons receiving property that was
24 subject to tax under section 77-2006 and on which inheritance tax was
25 assessed; and

26 (iv) ~~(d)~~ The number of persons who do not reside in this state and
27 who received any property that was subject to tax under section 77-2004,
28 77-2005, or 77-2006 and on which inheritance tax was assessed.

29 (c) Beginning July 1, 2024, the report or amended report shall be
30 submitted on a form prescribed by the Department of Revenue and shall
31 include the following information:

1 (i) The amount of inheritance tax paid under section 77-2004 and the
2 number of persons receiving property that was subject to tax under
3 section 77-2004 and on which inheritance tax was assessed;

4 (ii) The amount of inheritance tax paid under section 77-2005 and
5 the number of persons receiving property that was subject to tax under
6 section 77-2005 and on which inheritance tax was assessed;

7 (iii) The amount of inheritance tax paid under section 77-2006 and
8 the number of persons receiving property that was subject to tax under
9 section 77-2006 and on which inheritance tax was assessed; and

10 (iv) The number of persons who do not reside in this state and who
11 received any property that was subject to tax under section 77-2004,
12 77-2005, or 77-2006 and on which inheritance tax was assessed.

13 (2)(a) (2) The county treasurer of each county shall compile and
14 submit a report regarding inheritance taxes generated from January 1,
15 2023, through June 30, 2023, to the Department of Revenue on or before
16 August 1, 2023. ~~The Beginning July 1, 2023,~~ the county treasurer of each
17 county shall compile and submit a report regarding annual inheritance
18 taxes generated from July 1, 2023, ~~of each year~~ through June 30, 2024 ~~of~~
19 the next year, to the Department of Revenue on or before August 1, 2024.
20 Beginning July 1, 2024, the county treasurer of each county shall compile
21 and submit a report regarding annual inheritance taxes paid from July 1
22 of each year through June 30 of the next year, to the Department of
23 Revenue on or before August 1, 2025, and on or before August 1 of each
24 year thereafter.

25 (b) Until June 30, 2024, the ~~The~~ reports shall be submitted on a
26 form prescribed by the Department of Revenue and shall include the
27 following information:

28 (i) ~~(a)~~ The amount of inheritance tax revenue generated under
29 section 77-2004 and the number of persons receiving property that was
30 subject to tax under section 77-2004 and on which inheritance tax was
31 assessed;

1 (ii) ~~(b)~~ The amount of inheritance tax revenue generated under
2 section 77-2005 and the number of persons receiving property that was
3 subject to tax under section 77-2005 and on which inheritance tax was
4 assessed;

5 (iii) ~~(c)~~ The amount of inheritance tax revenue generated under
6 section 77-2006 and the number of persons receiving property that was
7 subject to tax under section 77-2006 and on which inheritance tax was
8 assessed; and

9 (iv) ~~(d)~~ The number of persons who do not reside in this state and
10 who received any property that was subject to tax under section 77-2004,
11 77-2005, or 77-2006 and on which inheritance tax was assessed.

12 (c) Beginning July 1, 2024, the reports shall be submitted on a form
13 prescribed by the Department of Revenue and shall include the following
14 information:

15 (i) The amount of inheritance tax paid under section 77-2004 and the
16 number of persons receiving property that was subject to tax under
17 section 77-2004 and on which inheritance tax was assessed;

18 (ii) The amount of inheritance tax paid under section 77-2005 and
19 the number of persons receiving property that was subject to tax under
20 section 77-2005 and on which inheritance tax was assessed;

21 (iii) The amount of inheritance tax paid under section 77-2006 and
22 the number of persons receiving property that was subject to tax under
23 section 77-2006 and on which inheritance tax was assessed; and

24 (iv) The number of persons who do not reside in this state and who
25 received any property that was subject to tax under section 77-2004,
26 77-2005, or 77-2006 and on which inheritance tax was assessed.

27 (3) On or before September 1, 2023, and on or before September 1 of
28 each year thereafter, the Department of Revenue shall compile and
29 aggregate such treasurer reports received from each county and make each
30 county report and a statewide aggregate of such county reports available
31 to the public on the Department of Revenue's website.

1 Sec. 80. Section 77-2701, Revised Statutes Supplement, 2023, is
2 amended to read:

3 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, 77-27,235,
4 77-27,236, and 77-27,238 to 77-27,241 and section 84 of this act shall be
5 known and may be cited as the Nebraska Revenue Act of 1967.

6 Sec. 81. Section 77-2701.02, Revised Statutes Supplement, 2023, is
7 amended to read:

8 77-2701.02 Pursuant to section 77-2715.01:

9 (1) Until July 1, 1998, the rate of the sales tax levied pursuant to
10 section 77-2703 shall be five percent;

11 (2) Commencing July 1, 1998, and until July 1, 1999, the rate of the
12 sales tax levied pursuant to section 77-2703 shall be four and one-half
13 percent;

14 (3) Commencing July 1, 1999, and until the start of the first
15 calendar quarter after July 20, 2002, the rate of the sales tax levied
16 pursuant to section 77-2703 shall be five percent;

17 (4) Commencing on the start of the first calendar quarter after July
18 20, 2002, and until July 1, 2023, the rate of the sales tax levied
19 pursuant to section 77-2703 shall be five and one-half percent;~~and~~

20 (5) Commencing July 1, 2023, and until July 1, 2024, the rate of the
21 sales tax levied pursuant to section 77-2703 shall be five and one-half
22 percent, except that such rate shall be two and three-quarters percent on
23 transactions occurring within a good life district as defined in section
24 77-4403; and -

25 (6) Commencing July 1, 2024, the rate of the sales tax levied
26 pursuant to section 77-2703 shall be five and one-half percent, except
27 that such rate shall be two and three-quarters percent on transactions
28 that occur within that portion of a good life district established
29 pursuant to the Good Life Transformational Projects Act which is located
30 within the corporate limits of a city or village.

31 Sec. 82. Section 77-2701.04, Revised Statutes Supplement, 2023, is

1 amended to read:

2 77-2701.04 For purposes of sections 77-2701.04 to 77-2713 and
3 77-27,239 and section 84 of this act, unless the context otherwise
4 requires, the definitions found in sections 77-2701.05 to 77-2701.56
5 shall be used.

6 Sec. 83. Section 77-2704.66, Reissue Revised Statutes of Nebraska,
7 is amended to read:

8 77-2704.66 (1) Sales and use taxes shall not be imposed on the gross
9 receipts from the sale, lease, or rental of and the storage, use, or
10 other consumption in this state of currency or bullion.

11 (2) For purposes of this section:

12 (a) Bullion means coins, bars, ingots, notes, leaf, foil, film, or
13 commemorative medallions of gold, silver, platinum, or palladium, or a
14 combination of these, for which the value of the metal depends primarily
15 on its content and not the form; and

16 (b) Currency means a coin or currency made of gold, silver, or other
17 metal or paper which is or has been used as legal tender.

18 Sec. 84. Sales and use taxes shall not be imposed on the gross
19 receipts from the sale, use, or other consumption in this state of
20 electric energy when stored, used, or consumed by a motor vehicle and the
21 electricity was subject to the excise tax imposed in subsection (2) of
22 section 66-4,105.

23 Sec. 85. Section 77-2716, Revised Statutes Supplement, 2023, is
24 amended to read:

25 77-2716 (1) The following adjustments to federal adjusted gross
26 income or, for corporations and fiduciaries, federal taxable income shall
27 be made for interest or dividends received:

28 (a)(i) There shall be subtracted interest or dividends received by
29 the owner of obligations of the United States and its territories and
30 possessions or of any authority, commission, or instrumentality of the
31 United States to the extent includable in gross income for federal income

1 tax purposes but exempt from state income taxes under the laws of the
2 United States; and

3 (ii) There shall be subtracted interest received by the owner of
4 obligations of the State of Nebraska or its political subdivisions or
5 authorities which are Build America Bonds to the extent includable in
6 gross income for federal income tax purposes;

7 (b) There shall be subtracted that portion of the total dividends
8 and other income received from a regulated investment company which is
9 attributable to obligations described in subdivision (a) of this
10 subsection as reported to the recipient by the regulated investment
11 company;

12 (c) There shall be added interest or dividends received by the owner
13 of obligations of the District of Columbia, other states of the United
14 States, or their political subdivisions, authorities, commissions, or
15 instrumentalities to the extent excluded in the computation of gross
16 income for federal income tax purposes except that such interest or
17 dividends shall not be added if received by a corporation which is a
18 regulated investment company;

19 (d) There shall be added that portion of the total dividends and
20 other income received from a regulated investment company which is
21 attributable to obligations described in subdivision (c) of this
22 subsection and excluded for federal income tax purposes as reported to
23 the recipient by the regulated investment company; and

24 (e)(i) Any amount subtracted under this subsection shall be reduced
25 by any interest on indebtedness incurred to carry the obligations or
26 securities described in this subsection or the investment in the
27 regulated investment company and by any expenses incurred in the
28 production of interest or dividend income described in this subsection to
29 the extent that such expenses, including amortizable bond premiums, are
30 deductible in determining federal taxable income.

31 (ii) Any amount added under this subsection shall be reduced by any

1 expenses incurred in the production of such income to the extent
2 disallowed in the computation of federal taxable income.

3 (2) There shall be allowed a net operating loss derived from or
4 connected with Nebraska sources computed under rules and regulations
5 adopted and promulgated by the Tax Commissioner consistent, to the extent
6 possible under the Nebraska Revenue Act of 1967, with the laws of the
7 United States. For a resident individual, estate, or trust, the net
8 operating loss computed on the federal income tax return shall be
9 adjusted by the modifications contained in this section. For a
10 nonresident individual, estate, or trust or for a partial-year resident
11 individual, the net operating loss computed on the federal return shall
12 be adjusted by the modifications contained in this section and any
13 carryovers or carrybacks shall be limited to the portion of the loss
14 derived from or connected with Nebraska sources.

15 (3) There shall be subtracted from federal adjusted gross income for
16 all taxable years beginning on or after January 1, 1987, the amount of
17 any state income tax refund to the extent such refund was deducted under
18 the Internal Revenue Code, was not allowed in the computation of the tax
19 due under the Nebraska Revenue Act of 1967, and is included in federal
20 adjusted gross income.

21 (4) Federal adjusted gross income, or, for a fiduciary, federal
22 taxable income shall be modified to exclude the portion of the income or
23 loss received from a small business corporation with an election in
24 effect under subchapter S of the Internal Revenue Code or from a limited
25 liability company organized pursuant to the Nebraska Uniform Limited
26 Liability Company Act that is not derived from or connected with Nebraska
27 sources as determined in section 77-2734.01.

28 (5) There shall be subtracted from federal adjusted gross income or,
29 for corporations and fiduciaries, federal taxable income dividends
30 received or deemed to be received from corporations which are not subject
31 to the Internal Revenue Code.

1 (6) There shall be subtracted from federal taxable income a portion
2 of the income earned by a corporation subject to the Internal Revenue
3 Code of 1986 that is actually taxed by a foreign country or one of its
4 political subdivisions at a rate in excess of the maximum federal tax
5 rate for corporations. The taxpayer may make the computation for each
6 foreign country or for groups of foreign countries. The portion of the
7 taxes that may be deducted shall be computed in the following manner:

8 (a) The amount of federal taxable income from operations within a
9 foreign taxing jurisdiction shall be reduced by the amount of taxes
10 actually paid to the foreign jurisdiction that are not deductible solely
11 because the foreign tax credit was elected on the federal income tax
12 return;

13 (b) The amount of after-tax income shall be divided by one minus the
14 maximum tax rate for corporations in the Internal Revenue Code; and

15 (c) The result of the calculation in subdivision (b) of this
16 subsection shall be subtracted from the amount of federal taxable income
17 used in subdivision (a) of this subsection. The result of such
18 calculation, if greater than zero, shall be subtracted from federal
19 taxable income.

20 (7) Federal adjusted gross income shall be modified to exclude any
21 amount repaid by the taxpayer for which a reduction in federal tax is
22 allowed under section 1341(a)(5) of the Internal Revenue Code.

23 (8)(a) Federal adjusted gross income or, for corporations and
24 fiduciaries, federal taxable income shall be reduced, to the extent
25 included, by income from interest, earnings, and state contributions
26 received from the Nebraska educational savings plan trust created in
27 sections 85-1801 to 85-1817 and any account established under the
28 achieving a better life experience program as provided in sections
29 77-1401 to 77-1409.

30 (b) Federal adjusted gross income or, for corporations and
31 fiduciaries, federal taxable income shall be reduced by any contributions

1 as a participant in the Nebraska educational savings plan trust or
2 contributions to an account established under the achieving a better life
3 experience program made for the benefit of a beneficiary as provided in
4 sections 77-1401 to 77-1409, to the extent not deducted for federal
5 income tax purposes, but not to exceed five thousand dollars per married
6 filing separate return or ten thousand dollars for any other return. With
7 respect to a qualified rollover within the meaning of section 529 of the
8 Internal Revenue Code from another state's plan, any interest, earnings,
9 and state contributions received from the other state's educational
10 savings plan which is qualified under section 529 of the code shall
11 qualify for the reduction provided in this subdivision. For contributions
12 by a custodian of a custodial account including rollovers from another
13 custodial account, the reduction shall only apply to funds added to the
14 custodial account after January 1, 2014.

15 (c) For taxable years beginning or deemed to begin on or after
16 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
17 federal adjusted gross income shall be reduced, to the extent included in
18 the adjusted gross income of an individual, by the amount of any
19 contribution made by the individual's employer into an account under the
20 Nebraska educational savings plan trust owned by the individual, not to
21 exceed five thousand dollars per married filing separate return or ten
22 thousand dollars for any other return.

23 (d) Federal adjusted gross income or, for corporations and
24 fiduciaries, federal taxable income shall be increased by:

25 (i) The amount resulting from the cancellation of a participation
26 agreement refunded to the taxpayer as a participant in the Nebraska
27 educational savings plan trust to the extent previously deducted under
28 subdivision (8)(b) of this section; and

29 (ii) The amount of any withdrawals by the owner of an account
30 established under the achieving a better life experience program as
31 provided in sections 77-1401 to 77-1409 for nonqualified expenses to the

1 extent previously deducted under subdivision (8)(b) of this section.

2 (9)(a) For income tax returns filed after September 10, 2001, for
3 taxable years beginning or deemed to begin before January 1, 2006, under
4 the Internal Revenue Code of 1986, as amended, federal adjusted gross
5 income or, for corporations and fiduciaries, federal taxable income shall
6 be increased by eighty-five percent of any amount of any federal bonus
7 depreciation received under the federal Job Creation and Worker
8 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
9 under section 168(k) or section 1400L of the Internal Revenue Code of
10 1986, as amended, for assets placed in service after September 10, 2001,
11 and before December 31, 2005.

12 (b) For a partnership, limited liability company, cooperative,
13 including any cooperative exempt from income taxes under section 521 of
14 the Internal Revenue Code of 1986, as amended, limited cooperative
15 association, subchapter S corporation, or joint venture, the increase
16 shall be distributed to the partners, members, shareholders, patrons, or
17 beneficiaries in the same manner as income is distributed for use against
18 their income tax liabilities.

19 (c) For a corporation with a unitary business having activity both
20 inside and outside the state, the increase shall be apportioned to
21 Nebraska in the same manner as income is apportioned to the state by
22 section 77-2734.05.

23 (d) The amount of bonus depreciation added to federal adjusted gross
24 income or, for corporations and fiduciaries, federal taxable income by
25 this subsection shall be subtracted in a later taxable year. Twenty
26 percent of the total amount of bonus depreciation added back by this
27 subsection for tax years beginning or deemed to begin before January 1,
28 2003, under the Internal Revenue Code of 1986, as amended, may be
29 subtracted in the first taxable year beginning or deemed to begin on or
30 after January 1, 2005, under the Internal Revenue Code of 1986, as
31 amended, and twenty percent in each of the next four following taxable

1 years. Twenty percent of the total amount of bonus depreciation added
2 back by this subsection for tax years beginning or deemed to begin on or
3 after January 1, 2003, may be subtracted in the first taxable year
4 beginning or deemed to begin on or after January 1, 2006, under the
5 Internal Revenue Code of 1986, as amended, and twenty percent in each of
6 the next four following taxable years.

7 (10) For taxable years beginning or deemed to begin on or after
8 January 1, 2003, and before January 1, 2006, under the Internal Revenue
9 Code of 1986, as amended, federal adjusted gross income or, for
10 corporations and fiduciaries, federal taxable income shall be increased
11 by the amount of any capital investment that is expensed under section
12 179 of the Internal Revenue Code of 1986, as amended, that is in excess
13 of twenty-five thousand dollars that is allowed under the federal Jobs
14 and Growth Tax Act of 2003. Twenty percent of the total amount of
15 expensing added back by this subsection for tax years beginning or deemed
16 to begin on or after January 1, 2003, may be subtracted in the first
17 taxable year beginning or deemed to begin on or after January 1, 2006,
18 under the Internal Revenue Code of 1986, as amended, and twenty percent
19 in each of the next four following tax years.

20 (11)(a) For taxable years beginning or deemed to begin before
21 January 1, 2018, under the Internal Revenue Code of 1986, as amended,
22 federal adjusted gross income shall be reduced by contributions, up to
23 two thousand dollars per married filing jointly return or one thousand
24 dollars for any other return, and any investment earnings made as a
25 participant in the Nebraska long-term care savings plan under the Long-
26 Term Care Savings Plan Act, to the extent not deducted for federal income
27 tax purposes.

28 (b) For taxable years beginning or deemed to begin before January 1,
29 2018, under the Internal Revenue Code of 1986, as amended, federal
30 adjusted gross income shall be increased by the withdrawals made as a
31 participant in the Nebraska long-term care savings plan under the act by

1 a person who is not a qualified individual or for any reason other than
2 transfer of funds to a spouse, long-term care expenses, long-term care
3 insurance premiums, or death of the participant, including withdrawals
4 made by reason of cancellation of the participation agreement, to the
5 extent previously deducted as a contribution or as investment earnings.

6 (12) There shall be added to federal adjusted gross income for
7 individuals, estates, and trusts any amount taken as a credit for
8 franchise tax paid by a financial institution under sections 77-3801 to
9 77-3807 as allowed by subsection (5) of section 77-2715.07.

10 (13)(a) For taxable years beginning or deemed to begin on or after
11 January 1, 2015, and before January 1, 2024, under the Internal Revenue
12 Code of 1986, as amended, federal adjusted gross income shall be reduced
13 by the amount received as benefits under the federal Social Security Act
14 which are included in the federal adjusted gross income if:

15 (i) For taxpayers filing a married filing joint return, federal
16 adjusted gross income is fifty-eight thousand dollars or less; or

17 (ii) For taxpayers filing any other return, federal adjusted gross
18 income is forty-three thousand dollars or less.

19 (b) For taxable years beginning or deemed to begin on or after
20 January 1, 2020, and before January 1, 2024, under the Internal Revenue
21 Code of 1986, as amended, the Tax Commissioner shall adjust the dollar
22 amounts provided in subdivisions (13)(a)(i) and (ii) of this section by
23 the same percentage used to adjust individual income tax brackets under
24 subsection (3) of section 77-2715.03.

25 (c) For taxable years beginning or deemed to begin on or after
26 January 1, 2021, and before January 1, 2024, under the Internal Revenue
27 Code of 1986, as amended, a taxpayer may claim the reduction to federal
28 adjusted gross income allowed under this subsection or the reduction to
29 federal adjusted gross income allowed under subsection (14) of this
30 section, whichever provides the greater reduction.

31 (14)(a) For taxable years beginning or deemed to begin on or after

1 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
2 federal adjusted gross income shall be reduced by a percentage of the
3 social security benefits that are received and included in federal
4 adjusted gross income. The pertinent percentage shall be:

5 (i) Five percent for taxable years beginning or deemed to begin on
6 or after January 1, 2021, and before January 1, 2022, under the Internal
7 Revenue Code of 1986, as amended;

8 (ii) Forty percent for taxable years beginning or deemed to begin on
9 or after January 1, 2022, and before January 1, 2023, under the Internal
10 Revenue Code of 1986, as amended;

11 (iii) Sixty percent for taxable years beginning or deemed to begin
12 on or after January 1, 2023, and before January 1, 2024, under the
13 Internal Revenue Code of 1986, as amended; and

14 (iv) One hundred percent for taxable years beginning or deemed to
15 begin on or after January 1, 2024, under the Internal Revenue Code of
16 1986, as amended.

17 (b) For purposes of this subsection, social security benefits means
18 benefits received under the federal Social Security Act.

19 (c) For taxable years beginning or deemed to begin on or after
20 January 1, 2021, and before January 1, 2024, under the Internal Revenue
21 Code of 1986, as amended, a taxpayer may claim the reduction to federal
22 adjusted gross income allowed under this subsection or the reduction to
23 federal adjusted gross income allowed under subsection (13) of this
24 section, whichever provides the greater reduction.

25 (15)(a) For taxable years beginning or deemed to begin on or after
26 January 1, 2015, and before January 1, 2022, under the Internal Revenue
27 Code of 1986, as amended, an individual may make a one-time election
28 within two calendar years after the date of his or her retirement from
29 the military to exclude income received as a military retirement benefit
30 by the individual to the extent included in federal adjusted gross income
31 and as provided in this subdivision. The individual may elect to exclude

1 forty percent of his or her military retirement benefit income for seven
2 consecutive taxable years beginning with the year in which the election
3 is made or may elect to exclude fifteen percent of his or her military
4 retirement benefit income for all taxable years beginning with the year
5 in which he or she turns sixty-seven years of age.

6 (b) For taxable years beginning or deemed to begin on or after
7 January 1, 2022, under the Internal Revenue Code of 1986, as amended, an
8 individual may exclude one hundred percent of the military retirement
9 benefit income received by such individual to the extent included in
10 federal adjusted gross income.

11 (c) For purposes of this subsection, military retirement benefit
12 means retirement benefits that are periodic payments attributable to
13 service in the uniformed services of the United States for personal
14 services performed by an individual prior to his or her retirement. The
15 term includes retirement benefits described in this subdivision that are
16 reported to the individual on either:

17 (i) An Internal Revenue Service Form 1099-R received from the United
18 States Department of Defense; or

19 (ii) An Internal Revenue Service Form 1099-R received from the
20 United States Office of Personnel Management.

21 (16) For taxable years beginning or deemed to begin on or after
22 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
23 federal adjusted gross income shall be reduced by the amount received as
24 a Segal AmeriCorps Education Award, to the extent such amount is included
25 in federal adjusted gross income.

26 (17) For taxable years beginning or deemed to begin on or after
27 January 1, 2022, under the Internal Revenue Code of 1986, as amended,
28 federal adjusted gross income shall be reduced by the amount received by
29 or on behalf of a firefighter for cancer benefits under the Firefighter
30 Cancer Benefits Act to the extent included in federal adjusted gross
31 income.

1 (18) There shall be subtracted from the federal adjusted gross
2 income of individuals any amount received by the individual as student
3 loan repayment assistance under the Teach in Nebraska Today Act, to the
4 extent such amount is included in federal adjusted gross income.

5 (19) For taxable years beginning or deemed to begin on or after
6 January 1, 2023, under the Internal Revenue Code of 1986, as amended, a
7 retired individual who was employed full time as a firefighter or
8 certified law enforcement officer for at least twenty years and who is at
9 least sixty years of age as of the end of the taxable year may reduce his
10 or her federal adjusted gross income by the amount of health insurance
11 premiums paid by such individual during the taxable year, to the extent
12 such premiums were not already deducted in determining the individual's
13 federal adjusted gross income.

14 (20) For taxable years beginning or deemed to begin on or after
15 January 1, 2024, under the Internal Revenue Code of 1986, as amended, an
16 individual may reduce his or her federal adjusted gross income by the
17 amounts received as annuities under the ~~Federal Employees Retirement~~
18 ~~System~~ or the Civil Service Retirement System which were earned for being
19 employed by the federal government, to the extent such amounts are
20 included in federal adjusted gross income.

21 (21) There shall be added to federal adjusted gross income or, for
22 corporations and fiduciaries, federal taxable income for all taxable
23 years beginning on or after January 1, 2025, the amount of any net
24 capital loss that is derived from the sale or exchange of gold or silver
25 bullion to the extent such loss is included in federal adjusted gross
26 income except that such loss shall not be added if the loss is derived
27 from the sale of bullion as a taxable distribution from any retirement
28 plan account that holds gold or silver bullion. For the purposes of this
29 subsection, bullion has the same meaning as in section 77-2704.66.

30 (22) There shall be subtracted from federal adjusted gross income
31 or, for corporations and fiduciaries, federal taxable income for all

1 taxable years beginning on or after January 1, 2025, the amount of any
2 net capital gain that is derived from the sale or exchange of gold or
3 silver bullion to the extent such gain is included in federal adjusted
4 gross income except that such gain shall not be subtracted if the gain is
5 derived from the sale of bullion as a taxable distribution from any
6 retirement plan account that holds gold or silver bullion. For the
7 purposes of this subsection, bullion has the same meaning as in section
8 77-2704.66.

9 Sec. 86. Section 77-3002, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 77-3002 (1) Any operator shall be required to procure an annual
12 license from the Tax Commissioner permitting him or her to operate
13 machines or devices within the State of Nebraska. The Tax Commissioner,
14 upon the application of any person, may issue a license, except that if
15 the applicant (a) is not of good character and reputation in the
16 community in which he or she resides, (b) has been convicted of or has
17 pleaded guilty to a felony under the laws of the State of Nebraska, any
18 other state, or of the United States, or (c) has been convicted of or has
19 pleaded guilty to being the proprietor of a gambling house, or of any
20 other crime or misdemeanor opposed to decency and morality, no license
21 shall be issued. If the applicant is a corporation whose majority
22 stockholders could not obtain a license, then such corporation shall not
23 be issued a license. If the applicant is an individual, the application
24 shall include the applicant's social security number. Procuring a license
25 shall constitute sufficient contact with this state for the exercise of
26 personal jurisdiction over such person in any action arising out of the
27 operation of machines or devices in this state.

28 (2)(a) For the period beginning July 1, 1998, through December 31,
29 1999, if the applicant operates ten or more machines, the application
30 shall be accompanied by a fee of two hundred fifty dollars, and such
31 license will remain in effect until December 31, 1999. If the applicant

1 operates fewer than ten machines, no fee is due. Any licensee that places
2 additional machines into operation during this period which results in a
3 total of ten or more machines in operation becomes subject to the two-
4 hundred-fifty-dollar fee.

5 (b) Beginning January 1, 2000, the application shall be filed on or
6 before January 1 of each year, and no license fee will be required.

7 (3) Beginning on the implementation date designated by the Tax
8 Commissioner pursuant to subsection (2) of section 44 of this act, prior
9 to the winnings payment of any cash device winnings as defined in section
10 35 of this act, an operator of a cash device shall check the collection
11 system to determine if the winner has a debt or an outstanding state tax
12 liability as required by the Gambling Winnings Setoff for Outstanding
13 Debt Act. If such operator determines that the winner is subject to the
14 collection system, the operator shall deduct the amount of debt and
15 outstanding state tax liability identified in the collection system from
16 the winnings payment and shall remit the net winnings payment of cash
17 device winnings, if any, to the winner and the amount deducted to the
18 Department of Revenue to be credited against such debt or outstanding
19 state tax liability as provided in section 38 of this act.

20 Sec. 87. Section 77-3003, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 77-3003 (1) Any distributor shall be required to procure an annual
23 license from the Tax Commissioner permitting him or her to sell, lease,
24 or deliver possession or custody of a machine or device within the State
25 of Nebraska. The Tax Commissioner, upon the application of any person,
26 may issue a license, subject to the same limitations as an operator's
27 license under section 77-3002. If the applicant is an individual, the
28 application shall include the applicant's social security number. For
29 applications filed for the period beginning July 1, 1998, through
30 December 31, 1999, such application shall be accompanied by a fee of two
31 hundred fifty dollars, and the license shall remain in effect until

1 December 31, 1999. Beginning January 1, 2000, the application shall be
2 filed on or before January 1 of each year, and no license fee will be
3 required.

4 (2) Beginning on the implementation date designated by the Tax
5 Commissioner pursuant to subsection (2) of section 44 of this act, prior
6 to the winnings payment of any cash device winnings as defined in section
7 35 of this act, a distributor of a cash device shall check the collection
8 system to determine if the winner has a debt or an outstanding state tax
9 liability as required by the Gambling Winnings Setoff for Outstanding
10 Debt Act. If such distributor determines that the winner is subject to
11 the collection system, the distributor shall deduct the amount of debt
12 and outstanding state tax liability identified in the collection system
13 from the winnings payment and shall remit the net winnings payment of
14 cash device winnings, if any, to the winner and the amount deducted to
15 the Department of Revenue to be credited against such debt or outstanding
16 state tax liability as provided in section 38 of this act.

17 Sec. 88. Section 77-3011, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 77-3011 Sections 77-3001 to 77-3011 and section 89 of this act shall
20 be known and may be cited as the Mechanical Amusement Device Tax Act.

21 Sec. 89. Beginning on the implementation date designated by the Tax
22 Commissioner pursuant to subsection (2) of section 44 of this act, prior
23 to the winnings payment of any cash device winnings as defined in section
24 35 of this act, a manufacturer of a cash device that makes winnings
25 payments shall check the collection system to determine if the winner has
26 a debt or an outstanding state tax liability as required by the Gambling
27 Winnings Setoff for Outstanding Debt Act. If such manufacturer determines
28 that the winner is subject to the collection system, the manufacturer
29 shall deduct the amount of debt and outstanding state tax liability
30 identified in the collection system from the winnings payment and shall
31 remit the net winnings payment of cash device winnings, if any, to the

1 winner and the amount deducted to the Department of Revenue to be
2 credited against such debt or outstanding state tax liability as provided
3 in section 38 of this act.

4 Sec. 90. Section 77-4405, Revised Statutes Supplement, 2023, is
5 amended to read:

6 77-4405 (1) If the department finds that the project described in
7 the application meets the eligibility requirements of this section, the
8 application shall be approved.

9 (2) A project is eligible if:

10 (a) The applicant demonstrates that the total new development costs
11 of the project will exceed:

12 (i) One billion dollars if the project will be located in a city of
13 the metropolitan class;

14 (ii) Seven hundred fifty million dollars if the project will be
15 located in a city of the primary class;

16 (iii) Five hundred million dollars if the project will be located in
17 a city of the first class, city of the second class, or village within a
18 county with a population of one hundred thousand inhabitants or more; or

19 (iv) One hundred million dollars if the project will be located in a
20 city of the first class, city of the second class, or village within a
21 county with a population of less than one hundred thousand inhabitants;

22 (b) The applicant demonstrates that the project will directly or
23 indirectly result in the creation of:

24 (i) One thousand new jobs if the project will be located in a city
25 of the metropolitan class;

26 (ii) Five hundred new jobs if the project will be located in a city
27 of the primary class;

28 (iii) Two hundred fifty new jobs if the project will be located in a
29 city of the first class, city of the second class, or village within a
30 county with a population of one hundred thousand inhabitants or more; or

31 (iv) Fifty new jobs if the project will be located in a city of the

1 first class, city of the second class, or village within a county with a
2 population of less than one hundred thousand inhabitants; and

3 (c)(i) For a project that will be located in a county with a
4 population of one hundred thousand inhabitants or more, the applicant
5 demonstrates that, upon completion of the project, at least twenty
6 percent of sales at the project will be made to persons residing outside
7 the State of Nebraska or the project will generate a minimum of six
8 hundred thousand visitors per year who reside outside the State of
9 Nebraska and the project will attract new-to-market retail to the state
10 and will generate a minimum of three million visitors per year; or

11 (ii) For a project that will be located in a county with a
12 population of less than one hundred thousand inhabitants, the applicant
13 demonstrates that, upon completion of the project, at least twenty
14 percent of sales at the project will be made to persons residing outside
15 the State of Nebraska.

16 (3) The applicant must certify that any anticipated diversion of
17 state sales tax revenue will be offset or exceeded by sales tax paid on
18 anticipated development costs, including construction to real property,
19 during the same period.

20 (4) A project is not eligible if the project includes a licensed
21 racetrack enclosure or an authorized gaming operator as such terms are
22 defined in section 9-1103, except that this subsection shall not apply to
23 infrastructure or facilities that are (a) publicly owned or (b) used by
24 or at the direction of the Nebraska State Fair Board, so long as no
25 gaming devices or games of chance are expected to be operated by an
26 authorized gaming operator within any such facilities.

27 (5) Approval of an application under this section shall establish
28 the good life district as that area depicted in the map accompanying the
29 application as submitted pursuant to subdivision (1)(b) of section
30 77-4404. Such district shall last for thirty ~~twenty-five~~ years and shall
31 not exceed two thousand acres in size if in a city of the metropolitan

1 class or three thousand acres in size if in any other class of city or
2 village.

3 (6)(a) Prior to July 1, 2024, any transactions occurring within a
4 good life district shall be subject to a reduced state sales tax rate as
5 provided in subdivision (5) of section 77-2701.02.

6 (b) On and after July 1, 2024, any transactions occurring within a
7 good life district shall be subject to a reduced state sales tax rate as
8 provided in subdivision (6) of section 77-2701.02.

9 (7) After establishment of a good life district pursuant to this
10 section, a good life district applicant may adjust the boundaries of the
11 district by filing an amended map with the department and updates or
12 supplements to the application materials originally submitted by the good
13 life district applicant to demonstrate the eligibility criteria in
14 subsection (2) of this section will be met after the boundaries are
15 adjusted. The department shall approve the new boundaries on the
16 following conditions:

17 (a) The department determines that the eligibility criteria in
18 subsection (2) of this section will continue to be met after the proposed
19 boundary adjustment based on the materials submitted by the good life
20 district applicant; and

21 (b) For any area being removed from the district:

22 (i) The department shall solicit and receive from the city or
23 village in which all or a portion of the good life district is located
24 confirmation that no area being removed is attributable to local sources
25 of revenue which have been pledged for payment of bonds issued pursuant
26 to the Good Life District Economic Development Act. Confirmation may
27 include resolutions, meeting minutes, or other official measures adopted
28 or taken by the city council or village board of trustees; and

29 (ii) Either the department has received written consent from the
30 owners of real estate proposed to be removed from the good life district,
31 or a hearing is held by the department in the manner described in this

1 subdivision and the department finds that the removal of the affected
2 property is in the best interests of the state and that the removal is
3 consistent with the goals and purposes of the approved application for
4 the good life district. In determining whether removal of the affected
5 property is consistent with the goals and purposes of the approved
6 application for the good life district, the department may consider any
7 formal action taken by the city council or village board of trustees.
8 Proof of such formal action may include resolutions, meeting minutes, or
9 other official measures adopted or taken. Such hearing must be held at
10 least ninety days after delivering written notice via certified mail to
11 the owners of record for the affected real estate proposed to be removed
12 from the good life district. The hearing must be open to the public and
13 for the stated purpose of hearing testimony regarding the proposed
14 removal of property from the good life district. Attendees must be given
15 the opportunity to speak and submit documentary evidence at, prior to, or
16 contemporaneously with such hearing for the department to consider in
17 making its findings.

18 (8) After establishment of a good life district pursuant to this
19 section, but within twelve months after the approval of the original
20 application or after any modification is made to the boundaries of a good
21 life district pursuant to this section, a city or village in which any
22 part of the applicable good life district is located may file a
23 supplemental request to the department to increase the size of the good
24 life district by up to one thousand acres. Such supplemental request
25 shall be accompanied by such materials and certifications necessary to
26 demonstrate that such increase would not negatively impact the criteria
27 that were necessary for the original establishment of such good life
28 district.

29 (9) After establishment of a good life district pursuant to this
30 section and after any modification is made to the boundaries of a good
31 life district pursuant to this section, the department shall transmit to

1 any city or village which includes such good life district within its
2 boundaries or within its extraterritorial zoning jurisdiction (a) all
3 information held by the department related to the application and
4 approval of the application, (b) all documentation which describes the
5 property included within the good life district, and (c) all
6 documentation transmitted to the applicant for such good life district
7 with approval of the application and establishment of the good life
8 district. Such city or village shall be subject to the same
9 confidentiality restrictions as provided in subsection (3) of section
10 77-4404, except that all such documents, plans, and specifications
11 included in the application which the city or village determine define or
12 describe the project may be provided upon written request of any person
13 who owns property in the applicable good life district.

14 (10) After establishment of a good life district that exceeds one
15 thousand acres in size, the good life district applicant may apply to the
16 department to establish development and design standards for the good
17 life district. Such standards may include, but are not limited to,
18 standards for architectural design, landscape design, construction
19 materials, and sustainability, but may not require property owners to
20 utilize specific contractors, professionals, suppliers, or service
21 providers. The department may approve the standards after holding a
22 hearing after one hundred eighty days' notice to all property owners in
23 the district if the department finds that the standards will ensure a
24 comprehensive and cohesive character and aesthetic for development in the
25 good life district, and that the standards will further the purposes of
26 the Good Life Transformational Projects Act. The development and design
27 standards must be commercially reasonable and consistent with terminology
28 and accepted practices in the architecture industry, must not conflict
29 with any building code or other similar law or regulation, and must not
30 impose an undue burden on property owners in the district. If approved,
31 the standards shall apply to all new construction inside of the good life

1 district. Notwithstanding the foregoing, any such standards established
2 by the department shall be in addition and supplemental to any local
3 zoning, building code, comprehensive plan, or similar requirements of the
4 city or village, which requirements of the city or village shall control
5 to the extent of any conflict with any design standards established by
6 the department.

7 (11) Demonstration of meeting the required new development costs for
8 purposes of subdivision (2)(a) of this section may be established by
9 evidence submitted by the good life district applicant, the city or
10 village where the good life district is located, or any other person
11 which submits satisfactory evidence to the department.

12 ~~(6) Upon establishment of a good life district under this section,~~
13 ~~any transactions occurring within the district shall be subject to a~~
14 ~~reduced sales tax rate as provided in section 77-2701.02.~~

15 Sec. 91. Section 77-4406, Revised Statutes Supplement, 2023, is
16 amended to read:

17 77-4406 (1) The department shall terminate a good life district
18 established pursuant to section 77-4405 if:

19 (a) Commitments for ten percent of the investment threshold required
20 under subdivision (2)(a) of section 77-4405 have not been made within
21 three years after establishment of such district;

22 (b) Commitments for fifty percent of the investment threshold
23 required under subdivision (2)(a) of section 77-4405 have not been made
24 within seven years after establishment of such district; or

25 (c) Commitments for seventy-five percent of the investment threshold
26 required under subdivision (2)(a) of section 77-4405 have not been made
27 ~~the applicant has not met seventy-five percent of the investment~~
28 ~~threshold required under subdivision (2)(a) of section 77-4405 within ten~~
29 ~~years after establishment of such district.~~

30 (2) The department shall measure the amount of commitments for such
31 investment from evidence submitted by the good life district applicant,

1 the city or village in which all or a portion of the district is located,
2 or any other source determined appropriate by the department.

3 Sec. 92. Section 77-5005, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 77-5005 (1) Within ten days after appointment, the commissioners
6 shall meet at their office in Lincoln, Nebraska, and enter upon the
7 duties of their office.

8 (2) A majority of the commission shall ~~at all times~~ constitute a
9 quorum to transact business, and one vacancy shall not impair the right
10 of the remaining commissioners to exercise all the powers of the
11 commission, except that two commissioners shall constitute a quorum to
12 hear and determine any appeals or petitions.

13 (3) Any investigation, inquiry, or hearing held or undertaken by the
14 commission may be held or undertaken by a single commissioner in those
15 appeals designated for hearing pursuant to section 77-5015.02.

16 (4) All investigations, inquiries, hearings, and decisions of a
17 single commissioner and every order made by a single commissioner shall
18 be deemed to be the order of the commission, except as provided in
19 subsection (6) of section 77-5015.02. The full commission, on an
20 application made within thirty days after the date of an order, may grant
21 a rehearing and determine de novo any decisions of or orders made by the
22 commission. The commission, on an application made within thirty days
23 after the date of an order issued after a hearing by a single
24 commissioner, except for an order dismissing an appeal or petition for
25 failure of the appellant or petitioner to appear at a hearing on the
26 merits, shall grant a rehearing on the merits before the commission. The
27 thirty-day filing period for appeals under subsection (2) of section
28 77-5019 shall be tolled while a motion for rehearing is pending.

29 (5) All hearings or proceedings of the commission shall be open to
30 the public.

31 (6) The Open Meetings Act applies only to hearings or proceedings of

1 the commission held pursuant to the rulemaking authority of the
2 commission.

3 Sec. 93. Section 77-5017, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 77-5017 (1) In resolving an appeal or petition, the commission may
6 make such orders as are appropriate for resolving the dispute but in no
7 case shall the relief be excessive compared to the problems addressed.
8 The commission may make prospective orders requiring changes in
9 assessment practices which will improve assessment practices or affect
10 the general level of assessment or the measures of central tendency in a
11 positive way. If no other relief is adequate to resolve disputes, the
12 commission may order a reappraisal of property within a county, an area
13 within a county, or classes or subclasses of property within a county.

14 (2) In an appeal specified in subdivision (10) or (11) of section
15 77-5016 for which the commission determines exempt property to be
16 taxable, the commission shall order the county board of equalization to
17 determine the taxable value of the property, unless the parties stipulate
18 to such taxable value during the hearing before the commission. The order
19 shall require the county board of equalization to determine the taxable
20 value of the property pursuant to section 77-1507, send notice of the
21 taxable value pursuant to section 77-1507 within ninety days after the
22 date the commission's order is certified pursuant to section 77-5018, and
23 apply interest at the rate specified in section 45-104.01, but not
24 penalty, to the taxable value beginning thirty days after ~~as of~~ the date
25 the commission's order was issued or the date the taxes were delinquent,
26 whichever is later.

27 (3) A determination of the taxable value of the property made by the
28 county board of equalization pursuant to subsection (2) of this section
29 may be appealed to the commission within thirty days after the board's
30 decision as provided in section 77-1507.

31 Sec. 94. Section 77-5018, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 77-5018 (1) The commission may issue decisions and orders which are
3 supported by the evidence and appropriate for resolving the matters in
4 dispute. Every final decision and order adverse to a party to the
5 proceeding, rendered by the commission in a case appealed to the
6 commission, shall be in writing or stated in the record and shall be
7 accompanied by findings of fact and conclusions of law. The findings of
8 fact shall consist of a concise statement of the conclusions upon each
9 contested issue of fact. Parties to the proceeding shall be notified of
10 the decision and order in person or by mail. A copy of the decision and
11 order shall be delivered or mailed to each party or his or her attorney
12 of record. Within seven days of issuing a decision and order, the
13 commission shall electronically publish such decision and order on a
14 website maintained by the commission that is accessible to the general
15 public. The full text of final decisions and orders shall be published on
16 the website, except that final decisions and orders that are entered (a)
17 on a dismissal by the appellant or petitioner, (b) on a default order
18 when the appellant or petitioner failed to appear, (c) by agreement of
19 the parties, or (d) by a single commissioner pursuant to section
20 77-5015.02 may be published on the website in a summary manner
21 identifying the parties, the case number, and the basis for the final
22 decision and order. Any decision rendered by the commission shall be
23 certified to the county treasurer and to the officer charged with the
24 duty of preparing the tax list, and if and when such decision becomes
25 final, such officers shall correct their records accordingly and the tax
26 list pursuant to section 77-1613.02. If the final decision results in
27 taxes due in excess of the original amount and interest at the rate
28 specified in section 45-104.01 is applied, the interest shall not begin
29 to accrue until thirty days after the decision is certified to the county
30 treasurer.

31 (2) The commission may, on its own motion, modify or change its

1 findings or orders, at any time before an appeal and within ten days
2 after the date of such findings or orders, for the purpose of correcting
3 any ambiguity, clerical error, or patent or obvious error. The time for
4 appeal shall not be lengthened because of the correction unless the
5 correction substantially changes the findings or order.

6 (3) The Tax Commissioner or the Property Tax Administrator shall
7 have thirty days after a final decision of the commission to appeal the
8 commission's decision pursuant to section 77-5019.

9 Sec. 95. Section 77-5601, Revised Statutes Cumulative Supplement,
10 2022, is amended to read:

11 77-5601 (1) From August 1, 2004, through October 31, 2004, there
12 shall be conducted a tax amnesty program with regard to taxes due and
13 owing that have not been reported to the Department of Revenue. Any
14 person applying for tax amnesty shall pay all unreported taxes that were
15 due on or before April 1, 2004. Any person that applies for tax amnesty
16 and is accepted by the Tax Commissioner shall have any penalties and
17 interest waived on unreported and delinquent taxes notwithstanding any
18 other provisions of law to the contrary.

19 (2) To be eligible for the tax amnesty provided by this section, the
20 person shall apply for amnesty within the amnesty period, file a return
21 for each taxable period for which the amnesty is requested by December
22 31, 2004, if no return has been filed, and pay in full all taxes for
23 which amnesty is sought with the return or within thirty days after the
24 application if a return was filed prior to the amnesty period. Tax
25 amnesty shall not be available for any person that is under civil or
26 criminal audit, investigation, or prosecution for unreported or
27 delinquent taxes by this state or the United States Government on or
28 before April 16, 2004.

29 (3) The department shall not seek civil or criminal prosecution
30 against any person for any taxable period for which amnesty has been
31 granted. The Tax Commissioner shall develop forms for applying for the

1 tax amnesty program, develop procedures for qualification for tax
2 amnesty, and conduct a public awareness campaign publicizing the program.

3 (4) If a person elects to participate in the amnesty program, the
4 election shall constitute an express and irrevocable relinquishment of
5 all administrative and judicial rights to challenge the imposition of the
6 tax or its amount. Nothing in this section shall prohibit the department
7 from adjusting a return as a result of any state or federal audit.

8 (5)(a) Except for any local option sales tax collected and returned
9 to the appropriate municipality and any motor vehicle fuel, diesel fuel,
10 and compressed fuel taxes, which shall be deposited in the Highway Trust
11 Fund or Highway Allocation Fund as provided by law, no less than eighty
12 percent of all revenue received pursuant to the tax amnesty program shall
13 be deposited in the General Fund and ten percent, not to exceed five
14 hundred thousand dollars, shall be deposited in the Department of Revenue
15 Enforcement Fund. Any amount that would otherwise be deposited in the
16 Department of Revenue Enforcement Fund that is in excess of the five-
17 hundred-thousand-dollar limitation shall be deposited in the General
18 Fund.

19 (b) For fiscal year 2005-06, all proceeds in the Department of
20 Revenue Enforcement Fund shall be appropriated to the department for
21 purposes of employing investigators, agents, and auditors and otherwise
22 increasing personnel for enforcement of the Nebraska Revenue Act of 1967.

23 (c) For fiscal years after fiscal year 2005-06, twenty percent of
24 all proceeds received during the previous calendar year due to the
25 efforts of auditors and investigators hired pursuant to subdivision (5)
26 (b) of this section, not to exceed seven hundred fifty thousand dollars,
27 shall be deposited in the Department of Revenue Enforcement Fund for
28 purposes of employing investigators and auditors or continuing such
29 employment for purposes of increasing enforcement of the act.

30 (d) Ten percent of all proceeds received during each calendar year
31 due to the contracts entered into pursuant to section 77-367 shall be

1 deposited in the Department of Revenue Enforcement Fund for purposes of
2 identifying nonfilers of returns, underreporters, nonpayers of taxes, and
3 improper or fraudulent payments.

4 (6)(a) The department shall prepare a report by April 1, 2005, and
5 by February 1 of each year thereafter detailing the results of the tax
6 amnesty program and the subsequent enforcement efforts. For the report
7 due April 1, 2005, the report shall include (i) the amount of revenue
8 obtained as a result of the tax amnesty program broken down by tax
9 program, (ii) the amount obtained from instate taxpayers and from out-of-
10 state taxpayers, and (iii) the amount obtained from individual taxpayers
11 and from business enterprises.

12 (b) For reports due in subsequent years, the report shall include
13 (i) the number of personnel hired for purposes of subdivision (5)(b) of
14 this section and their duties, (ii) a description of lists, software,
15 programming, computer equipment, and other technological methods acquired
16 and the purposes of each, and (iii) the amount of new revenue obtained as
17 a result of the new personnel and acquisitions during the prior calendar
18 year, broken down into the same categories as described in subdivision
19 (6)(a) of this section.

20 (7) The Department of Revenue Enforcement Fund is created. Transfers
21 may be made from the Department of Revenue Enforcement Fund to the
22 General Fund at the direction of the Legislature. The Department of
23 Revenue Enforcement Fund may receive transfers from the Civic and
24 Community Center Financing Fund at the direction of the Legislature for
25 the purpose of administering the Sports Arena Facility Financing
26 Assistance Act. The Department of Revenue Enforcement Fund shall include
27 any money credited to the fund (a) under section 77-2703, and such money
28 shall be used by the Department of Revenue to defray the costs incurred
29 to implement Laws 2019, LB237, (b) under the Mechanical Amusement Device
30 Tax Act, and such money shall be used by the department to defray the
31 costs incurred to implement and enforce Laws 2019, LB538, and any rules

1 and regulations adopted and promulgated to carry out Laws 2019, LB538,
2 ~~and~~ (c) under section 77-2906, and such money shall be used by the
3 Department of Revenue to defray the costs incurred to implement Laws
4 2020, LB310, and (d) under section 28 of this act. Any money in the
5 Department of Revenue Enforcement Fund available for investment shall be
6 invested by the state investment officer pursuant to the Nebraska Capital
7 Expansion Act and the Nebraska State Funds Investment Act.

8 (8) For purposes of this section, taxes mean any taxes collected by
9 the department, including, but not limited to state and local sales and
10 use taxes, individual and corporate income taxes, financial institutions
11 deposit taxes, motor vehicle fuel, diesel fuel, and compressed fuel
12 taxes, cigarette taxes, transfer taxes, and charitable gaming taxes.

13 Sec. 96. Section 77-6831, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 77-6831 (1) A taxpayer shall be entitled to the sales and use tax
16 incentives contained in subsection (2) of this section if the taxpayer:

17 (a) Attains a cumulative investment in qualified property of at
18 least five million dollars and hires at least thirty new employees at the
19 qualified location or locations before the end of the ramp-up period;

20 (b) Attains a cumulative investment in qualified property of at
21 least two hundred fifty million dollars and hires at least two hundred
22 fifty new employees at the qualified location or locations before the end
23 of the ramp-up period; or

24 (c) Attains a cumulative investment in qualified property of at
25 least fifty million dollars at the qualified location or locations before
26 the end of the ramp-up period. To receive incentives under this
27 subdivision, the taxpayer must meet the following conditions:

28 (i) The average compensation of the taxpayer's employees at the
29 qualified location or locations for each year of the performance period
30 must equal at least one hundred fifty percent of the Nebraska statewide
31 average hourly wage for the year of application;

1 (ii) The taxpayer must offer to its employees who constitute full-
2 time employees as defined and described in section 4980H of the Internal
3 Revenue Code of 1986, as amended, and the regulations for such section,
4 at the qualified location or locations for each year of the performance
5 period, the opportunity to enroll in minimum essential coverage under an
6 eligible employer-sponsored plan, as those terms are defined and
7 described in section 5000A of the Internal Revenue Code of 1986, as
8 amended, and the regulations for such section; and

9 (iii) The taxpayer must offer a sufficient package of benefits as
10 described in subdivision (1)(j) of section 77-6828.

11 (2) A taxpayer meeting the requirements of subsection (1) of this
12 section shall be entitled to the following sales and use tax incentives:

13 (a) A refund of all sales and use taxes paid under the Local Option
14 Revenue Act, the Nebraska Revenue Act of 1967, the Qualified Judgment
15 Payment Act, and sections 13-319, 13-324, and 13-2813 from the date of
16 the complete application through the meeting of the required levels of
17 employment and investment for all purchases, including rentals, of:

18 (i) Qualified property used at the qualified location or locations;

19 (ii) Property, excluding motor vehicles, based in this state and
20 used in both this state and another state in connection with the
21 qualified location or locations except when any such property is to be
22 used for fundraising for or for the transportation of an elected
23 official;

24 (iii) Tangible personal property by a contractor or repairperson
25 after appointment as a purchasing agent of the owner of the improvement
26 to real estate when such property is incorporated into real estate at the
27 qualified location or locations. The refund shall be based on fifty
28 percent of the contract price, excluding any land, as the cost of
29 materials subject to the sales and use tax;

30 (iv) Tangible personal property by a contractor or repairperson
31 after appointment as a purchasing agent of the taxpayer when such

1 property is annexed to, but not incorporated into, real estate at the
2 qualified location or locations. The refund shall be based on the cost of
3 materials subject to the sales and use tax that were annexed to real
4 estate; and

5 (v) Tangible personal property by a contractor or repairperson after
6 appointment as a purchasing agent of the taxpayer when such property is
7 both (A) incorporated into real estate at the qualified location or
8 locations and (B) annexed to, but not incorporated into, real estate at
9 the qualified location or locations. The refund shall be based on fifty
10 percent of the contract price, excluding any land, as the cost of
11 materials subject to the sales and use tax; and

12 (b) An exemption from all sales and use taxes under the Local Option
13 Revenue Act, the Nebraska Revenue Act of 1967, the Qualified Judgment
14 Payment Act, and sections 13-319, 13-324, and 13-2813 on the types of
15 purchases, including rentals, listed in subdivision (a) of this
16 subsection for such purchases, including rentals, occurring during each
17 year of the performance period in which the taxpayer is at or above the
18 required levels of employment and investment, except that the exemption
19 shall be for the actual materials purchased with respect to subdivisions
20 (2)(a)(iii), (iv), and (v) of this section. The Tax Commissioner shall
21 issue such rules, regulations, certificates, and forms as are appropriate
22 to implement the efficient use of this exemption.

23 (3)(a) Upon execution of the agreement, the taxpayer shall be issued
24 a direct payment permit under section 77-2705.01, notwithstanding the
25 three million dollars in purchases limitation in subsection (1) of
26 section 77-2705.01, for each qualified location specified in the
27 agreement, unless the taxpayer has opted out of this requirement in the
28 agreement. For any taxpayer who is issued a direct payment permit, until
29 such taxpayer makes the investment in qualified property and hires the
30 new employees at the qualified location or locations as specified in
31 subsection (1) of this section, the taxpayer must pay and remit any

1 applicable sales and use taxes as required by the Tax Commissioner.

2 (b) If the taxpayer makes the investment in qualified property and
3 hires the new employees at the qualified location or locations as
4 specified in subsection (1) of this section, the taxpayer shall receive
5 the sales tax refunds described in subdivision (2)(a) of this section.
6 For any year in which the taxpayer is not at the required levels of
7 employment and investment, the taxpayer shall report all sales and use
8 taxes owed for the period on the taxpayer's tax return.

9 (4) The taxpayer shall be entitled to one of the following credits
10 for payment of wages to new employees:

11 (a)(i) If a taxpayer attains a cumulative investment in qualified
12 property of at least one million dollars and hires at least ten new
13 employees at the qualified location or locations before the end of the
14 ramp-up period, the taxpayer shall be entitled to a credit equal to four
15 percent times the average wage of new employees times the number of new
16 employees. Wages in excess of one million dollars paid to any one
17 employee during the year shall be excluded from the calculations under
18 this subdivision;

19 (ii) If the taxpayer attains a cumulative investment in qualified
20 property of at least one million dollars and hires at least ten new
21 employees at the qualified location or locations before the end of the
22 ramp-up period and the number of new employees and investment are at a
23 qualified location in a county in Nebraska with a population of one
24 hundred thousand or greater, and at which the majority of the business
25 activities conducted are described in subdivision (1)(a) or (1)(n) of
26 section 77-6818, the taxpayer shall be entitled to a credit equal to four
27 percent times the average wage of new employees times the number of new
28 employees. Wages in excess of one million dollars paid to any one
29 employee during the year shall be excluded from the calculations under
30 this subdivision; or

31 (iii) If the taxpayer attains a cumulative investment in qualified

1 property of at least one million dollars and hires at least ten new
2 employees at the qualified location or locations before the end of the
3 ramp-up period and the number of new employees and investment are at a
4 qualified location or locations within one or more counties in Nebraska
5 that each have a population of less than one hundred thousand, and at
6 which the majority of the business activities conducted are described in
7 subdivision (1)(a) or (1)(n) of section 77-6818, the taxpayer shall be
8 entitled to a credit equal to six percent times the average wage of new
9 employees times the number of new employees. For purposes of meeting the
10 ten-employee requirement of this subdivision, the number of new employees
11 shall be multiplied by two. Wages in excess of one million dollars paid
12 to any one employee during the year shall be excluded from the
13 calculations under this subdivision;

14 (b) If a taxpayer hires at least twenty new employees at the
15 qualified location or locations before the end of the ramp-up period, the
16 taxpayer shall be entitled to a credit equal to five percent times the
17 average wage of new employees times the number of new employees if the
18 average wage of the new employees equals at least one hundred percent of
19 the Nebraska statewide average hourly wage for the year of application.
20 The credit shall equal seven percent times the average wage of new
21 employees times the number of new employees if the average wage of the
22 new employees equals at least one hundred fifty percent of the Nebraska
23 statewide average hourly wage for the year of application. The credit
24 shall equal nine percent times the average wage of new employees times
25 the number of new employees if the average wage of the new employees
26 equals at least two hundred percent of the Nebraska statewide average
27 hourly wage for the year of application. Wages in excess of one million
28 dollars paid to any one employee during the year shall be excluded from
29 the calculations under this subdivision;

30 (c) If a taxpayer attains a cumulative investment in qualified
31 property of at least five million dollars and hires at least thirty new

1 employees at the qualified location or locations before the end of the
2 ramp-up period, the taxpayer shall be entitled to a credit equal to five
3 percent times the average wage of new employees times the number of new
4 employees if the average wage of the new employees equals at least one
5 hundred percent of the Nebraska statewide average hourly wage for the
6 year of application. The credit shall equal seven percent times the
7 average wage of new employees times the number of new employees if the
8 average wage of the new employees equals at least one hundred fifty
9 percent of the Nebraska statewide average hourly wage for the year of
10 application. The credit shall equal nine percent times the average wage
11 of new employees times the number of new employees if the average wage of
12 the new employees equals at least two hundred percent of the Nebraska
13 statewide average hourly wage for the year of application. Wages in
14 excess of one million dollars paid to any one employee during the year
15 shall be excluded from the calculations under this subdivision;

16 (d) If a taxpayer attains a cumulative investment in qualified
17 property of at least two hundred fifty million dollars and hires at least
18 two hundred fifty new employees at the qualified location or locations
19 before the end of the ramp-up period, the taxpayer shall be entitled to a
20 credit equal to seven percent times the average wage of new employees
21 times the number of new employees if the average wage of the new
22 employees equals at least one hundred fifty percent of the Nebraska
23 statewide average hourly wage for the year of application. The credit
24 shall equal nine percent times the average wage of new employees times
25 the number of new employees if the average wage of the new employees
26 equals at least two hundred percent of the Nebraska statewide average
27 hourly wage for the year of application. Wages in excess of one million
28 dollars paid to any one employee during the year shall be excluded from
29 the calculations under this subdivision; or

30 (e) If a taxpayer attains a cumulative investment in qualified
31 property of at least two hundred fifty thousand dollars but less than one

1 million dollars and hires at least five new employees at the qualified
2 location or locations before the end of the ramp-up period and the number
3 of new employees and investment are at a qualified location within an
4 economic redevelopment area, the taxpayer shall be entitled to a credit
5 equal to six percent times the average wage of new employees times the
6 number of new employees if the average wage of the new employees equals
7 at least seventy percent of the Nebraska statewide average hourly wage
8 for the year of application. Wages in excess of one million dollars paid
9 to any one employee during the year shall be excluded from the
10 calculations under this subdivision. For purposes of this subdivision,
11 economic redevelopment area means an area in which (i) the average rate
12 of unemployment in the area during the period covered by the most recent
13 federal decennial census or American Community Survey 5-Year Estimate is
14 at least one hundred fifty percent of the average rate of unemployment in
15 the state during the same period and (ii) the average poverty rate in the
16 area exceeds twenty percent for the total federal census tract or tracts
17 or federal census block group or block groups in the area.

18 (5) The taxpayer shall be entitled to one of the following credits
19 for new investment:

20 (a)(i) If a taxpayer attains a cumulative investment in qualified
21 property of at least one million dollars and hires at least ten new
22 employees at the qualified location or locations before the end of the
23 ramp-up period, the taxpayer shall be entitled to a credit equal to four
24 percent of the investment made in qualified property at the qualified
25 location or locations;

26 (ii) If the taxpayer attains a cumulative investment in qualified
27 property of at least one million dollars and hires at least ten new
28 employees at the qualified location or locations before the end of the
29 ramp-up period and the number of new employees and investment are at a
30 qualified location in a county in Nebraska with a population of one
31 hundred thousand or greater, and at which the majority of the business

1 activities conducted are described in subdivision (1)(a) or (1)(n) of
2 section 77-6818, the taxpayer shall be entitled to a credit equal to four
3 percent of the investment made in qualified property at the qualified
4 location or locations unless the cumulative investment exceeds ten
5 million dollars, in which case the taxpayer shall be entitled to a credit
6 equal to seven percent of the investment made in qualified property at
7 the qualified location or locations; or

8 (iii) If the taxpayer attains a cumulative investment in qualified
9 property of at least one million dollars and hires at least ten new
10 employees at the qualified location or locations before the end of the
11 ramp-up period and the number of new employees and investment are at a
12 qualified location or locations within one or more counties in Nebraska
13 that each have a population of less than one hundred thousand, and at
14 which the majority of the business activities conducted are described in
15 subdivision (1)(a) or (1)(n) of section 77-6818, the taxpayer shall be
16 entitled to a credit equal to four percent of the investment made in
17 qualified property at the qualified location or locations unless the
18 cumulative investment exceeds ten million dollars, in which case the
19 taxpayer shall be entitled to a credit equal to seven percent of the
20 investment made in qualified property at the qualified location or
21 locations. For purposes of meeting the ten-employee requirement of this
22 subdivision, the number of new employees shall be multiplied by two;

23 (b) If a taxpayer attains a cumulative investment in qualified
24 property of at least five million dollars and hires at least thirty new
25 employees at the qualified location or locations before the end of the
26 ramp-up period, the taxpayer shall be entitled to a credit equal to seven
27 percent of the investment made in qualified property at the qualified
28 location or locations;

29 (c) If a taxpayer attains a cumulative investment in qualified
30 property of at least two hundred fifty million dollars and hires at least
31 two hundred fifty new employees at the qualified location or locations

1 before the end of the ramp-up period, the taxpayer shall be entitled to a
2 credit equal to seven percent of the investment made in qualified
3 property at the qualified location or locations; or

4 (d) If a taxpayer attains a cumulative investment in qualified
5 property of at least two hundred fifty thousand dollars but less than one
6 million dollars and hires at least five new employees at the qualified
7 location or locations before the end of the ramp-up period and the number
8 of new employees and investment are at a qualified location within an
9 economic redevelopment area, the taxpayer shall be entitled to a credit
10 equal to four percent of the investment made in qualified property at the
11 qualified location or locations. For purposes of this subdivision,
12 economic redevelopment area means an area in which (i) the average rate
13 of unemployment in the area during the period covered by the most recent
14 federal decennial census or American Community Survey 5-Year Estimate is
15 at least one hundred fifty percent of the average rate of unemployment in
16 the state during the same period and (ii) the average poverty rate in the
17 area exceeds twenty percent for the total federal census tract or tracts
18 or federal census block group or block groups in the area.

19 (6)(a) The credit percentages prescribed in subdivisions (4)(a),
20 (b), (c), and (d) and subdivisions (5)(a), (b), and (c) of this section
21 shall be increased by one percentage point for wages paid and investments
22 made at qualified locations in an extremely blighted area. For purposes
23 of this subdivision, extremely blighted area means an area which, before
24 the end of the ramp-up period, has been declared an extremely blighted
25 area under section 18-2101.02.

26 (b) The credit percentages prescribed in subsections (4) and (5) of
27 this section shall be increased by one percentage point if the taxpayer:

28 (i) Is a benefit corporation as defined in section 21-403 and has
29 been such a corporation for at least one year prior to submitting an
30 application under the Imagine Nebraska Act; and

31 (ii) Remains a benefit corporation as defined in section 21-403 for

1 the duration of the taxpayer's agreement under the Imagine Nebraska Act.

2 (c) A taxpayer may, if qualified, receive one or both of the
3 increases provided in this subsection.

4 (7)(a) The credits prescribed in subsections (4) and (5) of this
5 section shall be allowable for wages paid and investments made during
6 each year of the performance period that the taxpayer is at or above the
7 required levels of employment and investment.

8 (b) The credits prescribed in subsection (5) of this section shall
9 also be allowable during the first year of the performance period for
10 investment in qualified property at the qualified location or locations
11 after the date of the complete application and before the beginning of
12 the performance period.

13 (8)(a) Property described in subdivision (8)(c) of this section used
14 at the qualified location or locations, whether purchased or leased, and
15 placed in service by the taxpayer after the date of the complete
16 application, shall constitute separate classes of property and are
17 eligible for exemption under the conditions and for the time periods
18 provided in subdivision (8)(b) of this section.

19 (b) A taxpayer shall receive the exemption of property in
20 subdivision (8)(c) of this section if the taxpayer attains one of the
21 following employment and investment levels: (i) Cumulative investment in
22 qualified property of at least five million dollars and the hiring of at
23 least thirty new employees at the qualified location or locations before
24 the end of the ramp-up period; (ii) cumulative investment in qualified
25 property of at least fifty million dollars at the qualified location or
26 locations before the end of the ramp-up period, provided the average
27 compensation of the taxpayer's employees at the qualified location or
28 locations for the year in which such investment level was attained equals
29 at least one hundred fifty percent of the Nebraska statewide average
30 hourly wage for the year of application and the taxpayer offers to its
31 employees who constitute full-time employees as defined and described in

1 section 4980H of the Internal Revenue Code of 1986, as amended, and the
2 regulations for such section, at the qualified location or locations for
3 the year in which such investment level was attained, the opportunity to
4 enroll in minimum essential coverage under an eligible employer-sponsored
5 plan, as those terms are defined and described in section 5000A of the
6 Internal Revenue Code of 1986, as amended, and the regulations for such
7 section; or (iii) cumulative investment in qualified property of at least
8 two hundred fifty million dollars and the hiring of at least two hundred
9 fifty new employees at the qualified location or locations before the end
10 of the ramp-up period. Such property shall be eligible for the exemption
11 from the first January 1 following the end of the year during which the
12 required levels were exceeded through the ninth December 31 after the
13 first year property included in subdivision (8)(c) of this section
14 qualifies for the exemption, except that for a taxpayer who has filed an
15 application under NAICS code 518210 for Data Processing, Hosting, and
16 Related Services and who files a separate sequential application for the
17 same NAICS code for which the ramp-up period begins with the year
18 immediately after the end of the previous project's performance period or
19 a taxpayer who has a project qualifying under subdivision (1)(b)(ii) of
20 section 77-5725 and who files a separate sequential application for NAICS
21 code 518210 for Data Processing, Hosting, and Related Services for which
22 the ramp-up period begins with the year immediately after the end of the
23 previous project's entitlement period, such property described in
24 subdivision (8)(c)(i) of this section shall be eligible for the exemption
25 from the first January 1 following the placement in service of such
26 property through the ninth December 31 after the year the first claim for
27 exemption is approved.

28 (c) The following personal property used at the qualified location
29 or locations, whether purchased or leased, and placed in service by the
30 taxpayer after the date of the complete application shall constitute
31 separate classes of personal property:

1 (i) All personal property that constitutes a data center if the
2 taxpayer qualifies under subdivision (8)(b)(i) or (8)(b)(ii) of this
3 section;

4 (ii) Business equipment that is located at a qualified location or
5 locations and that is involved directly in the manufacture or processing
6 of agricultural products, the manufacturing of liquid fertilizer or any
7 other chemical applied to agricultural crops, or the manufacturing of any
8 liquid additive for a farm vehicle fuel if the taxpayer qualifies under
9 subdivision (8)(b)(i) or (8)(b)(ii) of this section; or

10 (iii) All personal property if the taxpayer qualifies under
11 subdivision (8)(b)(iii) of this section.

12 (d) In order to receive the property tax exemptions allowed by
13 subdivision (8)(c) of this section, the taxpayer shall annually file a
14 claim for exemption with the Tax Commissioner on or before May 1. The
15 form and supporting schedules shall be prescribed by the Tax Commissioner
16 and shall list all property for which exemption is being sought under
17 this section. A separate claim for exemption must be filed for each
18 agreement and each county in which property is claimed to be exempt. A
19 copy of this form must also be filed with the county assessor in each
20 county in which the applicant is requesting exemption. The Tax
21 Commissioner shall determine whether a taxpayer is eligible to obtain
22 exemption for personal property based on the criteria for exemption and
23 the eligibility of each item listed for exemption and, on or before
24 August 1, certify such determination to the taxpayer and to the affected
25 county assessor.

26 (9) The taxpayer shall, on or before the receipt or use of any
27 incentives under this section, pay to the director a fee of one-half
28 percent of such incentives, except for the exemption on personal
29 property, for administering the Imagine Nebraska Act, except that the fee
30 on any sales tax exemption may be paid by the taxpayer with the filing of
31 its sales and use tax return. Such fee may be paid by direct payment to

1 the director or through withholding of available refunds. A credit shall
2 be allowed against such fee for the amount of the fee paid with the
3 application. All fees collected under this subsection shall be remitted
4 to the State Treasurer for credit to the Imagine Nebraska Cash Fund,
5 which fund is hereby created. The fund shall consist of fees credited
6 under this subsection and any other money appropriated to the fund by the
7 Legislature. The fund shall be administered by the Department of Economic
8 Development and shall be used for administration of the Imagine Nebraska
9 Act. Any money in the fund available for investment shall be invested by
10 the state investment officer pursuant to the Nebraska Capital Expansion
11 Act and the Nebraska State Funds Investment Act.

12 Sec. 97. Section 85-2601, Revised Statutes Supplement, 2023, is
13 amended to read:

14 85-2601 Sections 85-2601 to 85-2606 and sections 102 and 103 of this
15 act shall be known and may be cited as the First Responder Recruitment
16 and Retention Act.

17 Sec. 98. Section 85-2602, Revised Statutes Supplement, 2023, is
18 amended to read:

19 85-2602 For purposes of the First Responder Recruitment and
20 Retention Act:

21 (1) Associate degree program means a degree program at a community
22 college, state college, or state university which typically requires
23 completion of an organized program of study of at least sixty semester
24 credit hours or an equivalent that can be shown to accomplish the same
25 goal. Associate degree program does not include a baccalaureate degree
26 program;

27 (2) Baccalaureate degree program means a degree program at a
28 community college, state college, or state university which typically
29 requires completion of an organized program of study of at least one
30 hundred twenty semester credit hours or an equivalent that can be shown
31 to accomplish the same goal;

1 (3) Community college means a public postsecondary educational
2 institution which is part of the community college system and includes
3 all branches and campuses of such institution located within the State of
4 Nebraska;

5 (4) Law enforcement officer means any individual who is a law
6 enforcement officer as defined in section 81-1401; ~~means any person who~~
7 ~~is responsible for the prevention or detection of crime or the~~
8 ~~enforcement of the penal, traffic, or highway laws of the State of~~
9 ~~Nebraska or any political subdivision of the state for more than one~~
10 ~~hundred hours per year and who is authorized by law to make arrests;~~

11 (5) Legal dependent has the same meaning as it is used for purposes
12 of the Free Application for Federal Student Aid;

13 (6) Line of duty means any action that a law enforcement officer or
14 professional firefighter is authorized or obligated by law, rule, or
15 regulation to perform, related to or as a condition of employment or
16 service;

17 ~~(5) Law enforcement agency means a police department in a~~
18 ~~municipality, a sheriff's office, and the Nebraska State Patrol;~~

19 (7) ~~(6)~~ Professional firefighter means an individual who is a
20 firefighter or firefighter-paramedic as a full-time career and who is a
21 member of a paid fire department of any of the following entities within
22 Nebraska:

23 (a) A municipality or a rural or suburban fire protection district
24 in this state, including a municipality having a home rule charter or a
25 municipal authority created pursuant to a home rule charter that has its
26 own paid fire department;

27 (b) A rural or suburban fire protection district; or and for whom
28 firefighting is a full-time career;

29 (c) A fire service providing fire protection to state military
30 installations;

31 (8) ~~(7)~~ State college means a public postsecondary educational

1 institution which is part of the Nebraska state college system and
2 includes all branches and campuses of such institution located within the
3 State of Nebraska;

4 (9) ~~(8)~~ State university means a public postsecondary educational
5 institution which is part of the University of Nebraska and includes all
6 branches and campuses of such institution located within the State of
7 Nebraska; and

8 (10) ~~(9)~~ Tuition means the charges and cost of tuition as set by the
9 governing body of a state university, state college, or community
10 college.

11 Sec. 99. Section 85-2603, Revised Statutes Supplement, 2023, is
12 amended to read:

13 85-2603 (1)(a) ~~(1)~~ A law enforcement officer shall be entitled to a
14 waiver of one hundred percent of the resident tuition charges of any
15 state university, state college, or community college if the officer:

16 ~~(a) Maintains satisfactory performance with his or her law~~
17 ~~enforcement agency;~~

18 (i) Possesses a law enforcement officer certificate under sections
19 81-1401 to 81-1414.19, unless the Nebraska Police Standards Advisory
20 Council revoked or suspended such certificate or limited certificate
21 under subdivision (6) of section 81-1403 and the Nebraska Commission on
22 Law Enforcement and Criminal Justice has reviewed and approved such
23 revocation or suspension;

24 (ii) ~~(b)~~ Meets all admission requirements of the state university,
25 state college, or community college;

26 (iii) ~~(c)~~ Pursues studies leading to a degree that relates to a
27 career in law enforcement from an associate degree program or a
28 baccalaureate degree program; ~~and~~

29 (iv) Submits the certificate of verification required by subsection
30 (4) of this section; and

31 (v) Files ~~(d)~~ ~~For an officer applying for a waiver after September~~

1 ~~2, 2023,~~ files with the Department of Revenue documentation showing proof
2 of employment as a law enforcement officer and proof of residence in
3 Nebraska each year such officer or such officer's legal dependent applies
4 for and receives the tuition waiver.

5 (b) The officer may receive the tuition waiver for up to five years
6 if he or she otherwise continues to be eligible for participation.

7 (2)(a) (2) Any legal dependent of a law enforcement officer who
8 satisfies subsection (1) of this section ~~maintains satisfactory~~
9 ~~performance with such law enforcement officer's law enforcement agency~~
10 shall be entitled to a tuition waiver of one hundred percent of the
11 resident tuition charges of any state university, state college, or
12 community college for an associate or baccalaureate degree program if the
13 legal dependent:

14 (i) Executes ~~executes~~ an agreement ~~with the state~~ in accordance with
15 section 85-2605; -

16 (ii) Has not previously earned a baccalaureate degree;

17 (iii) Completes and submits to the United States Department of
18 Education a Free Application for Federal Student Aid;

19 (iv) Submits a document to the state university, state college, or
20 community college confirming that the legal dependent has satisfied
21 subdivision (2)(a)(iii) of this section. Such document shall be submitted
22 in a form and manner as prescribed by the state university, state
23 college, or community college; and

24 (v) Submits the certificate of verification required by subsection
25 (4) of this section.

26 (b) The legal dependent may receive the tuition waiver for up to
27 five years if the law enforcement officer and the legal dependent
28 continue to be eligible for participation. The five years of tuition
29 waiver eligibility starts once the legal dependent applies for and
30 receives the tuition waiver for the first time and is available to such
31 legal dependent for the next consecutive five years.

1 (3) The state university, state college, or community college shall
2 waive one hundred percent of the officer's or the legal dependent's
3 tuition remaining due after subtracting awarded federal financial aid
4 grants and state scholarships and grants for an eligible law enforcement
5 officer or legal dependent during the time the officer or legal dependent
6 is enrolled. To remain eligible, the officer or legal dependent must
7 comply with all requirements of the institution for continued attendance
8 and award of an associate degree or a baccalaureate degree.

9 ~~(4)(a) (4)~~ An application for the tuition waiver shall include a
10 verification of the law enforcement officer's satisfaction of subsection
11 (1) of this section ~~satisfactory performance as a law enforcement~~
12 ~~officer~~. It shall be the responsibility of the officer to obtain a
13 certificate of verification from his or her superior ~~officer in such~~
14 ~~officer's law enforcement agency~~ attesting to such officer's satisfaction
15 of subsection (1) of this section ~~satisfactory performance~~. The officer
16 shall include the certificate of verification when the officer or the
17 officer's legal dependent is applying to the state university, state
18 college, or community college in order to obtain tuition waiver upon
19 initial enrollment.

20 (b) The death of a law enforcement officer in the line of duty which
21 occurs after submission of an application for a tuition waiver shall not
22 disqualify such officer's otherwise eligible legal dependent from
23 receiving the tuition waiver. In such case, in lieu of submitting the
24 certificate of verification provided for in subdivision (4)(a) of this
25 section, the legal dependent shall submit a certificate of verification
26 from the officer's superior attesting that:

27 (i) At the time of such death, such officer satisfied subsection (1)
28 of this section; and

29 (ii) Such officer died in the line of duty.

30 (5) Within forty-five days after receipt of a completed application,
31 the state university, state college, or community college shall send

1 written notice of the law enforcement officer's or legal dependent's
2 eligibility or ineligibility for the tuition waiver. If the officer or
3 legal dependent is determined not to be eligible for the tuition waiver,
4 the notice shall include the reason or reasons for such determination ~~and~~
5 ~~an indication that an appeal of the determination may be made pursuant to~~
6 ~~the Administrative Procedure Act.~~

7 Sec. 100. Section 85-2603.01, Revised Statutes Supplement, 2023, is
8 amended to read:

9 85-2603.01 (1)(a) A professional firefighter shall be entitled to a
10 waiver of one hundred percent of the resident tuition charges of any
11 state university, state college, or community college if the professional
12 firefighter:

13 (i) Maintains satisfactory performance with such firefighter's fire
14 department;

15 (ii) Meets all admission requirements of the state university, state
16 college, or community college;

17 (iii) Pursues studies leading to a degree ~~in science or medicine~~
18 that relates to a career in professional firefighting from an associate
19 degree program or a baccalaureate degree program; ~~and~~

20 (iv) Submits the certificate of verification required by subsection
21 (4) of this section; and

22 (v) (iv) Files with the Department of Revenue documentation showing
23 proof of employment as a professional firefighter and proof of residence
24 in Nebraska each year such professional firefighter or such professional
25 firefighter's legal dependent applies for and receives the tuition
26 waiver.

27 (b) The professional firefighter may receive the tuition waiver for
28 up to five years if such professional firefighter otherwise continues to
29 be eligible for participation.

30 (2)(a) (2) Any legal dependent of a professional firefighter who
31 maintains satisfactory performance with such professional firefighter's

1 fire department shall be entitled to a tuition waiver of one hundred
2 percent of the resident tuition charges of any state university, state
3 college, or community college for an associate or baccalaureate degree
4 program if the legal dependent:

5 (i) Executes ~~executes~~ an agreement ~~with the state~~ in accordance with
6 section 85-2605; -

7 (ii) Has not previously earned a baccalaureate degree;

8 (iii) Completes and submits to the United States Department of
9 Education a Free Application for Federal Student Aid;

10 (iv) Submits a document to the state university, state college, or
11 community college confirming that the legal dependent has satisfied
12 subdivision (2)(a)(iii) of this section. Such document shall be submitted
13 in a form and manner as prescribed by the state university, state
14 college, or community college; and

15 (v) Submits the certificate of verification required by subsection
16 (4) of this section.

17 (b) The legal dependent may receive the tuition waiver for up to
18 five years if the professional firefighter and the legal dependent
19 continue to be eligible for participation. The five years of tuition
20 waiver eligibility starts once the legal dependent applies for and
21 receives the tuition waiver for the first time and is available to such
22 legal dependent for the next consecutive five years.

23 (3) The state university, state college, or community college shall
24 waive one hundred percent of the professional firefighter's or the legal
25 dependent's tuition remaining due after subtracting awarded federal
26 financial aid grants and state scholarships and grants for an eligible
27 professional firefighter or legal dependent during the time the
28 professional firefighter or legal dependent is enrolled. To remain
29 eligible, the professional firefighter or legal dependent must comply
30 with all requirements of the institution for continued attendance and
31 award of an associate degree or baccalaureate degree.

1 (4)(a) ~~(4)~~ An application for the tuition waiver shall include a
2 verification of the professional firefighter's satisfactory performance
3 as a professional firefighter. It shall be the responsibility of the
4 professional firefighter to obtain a certificate of verification from the
5 fire chief of such professional firefighter's fire department attesting
6 to such professional firefighter's satisfactory performance. The
7 professional firefighter shall include the certificate of of ~~or~~ verification
8 when the professional firefighter or the professional firefighter's legal
9 dependent is applying to the state university, state college, or
10 community college in order to obtain tuition waiver upon initial
11 enrollment.

12 **(b) The death of a professional firefighter in the line of duty**
13 **which occurs after submission of an application for a tuition waiver**
14 **shall not disqualify such firefighter's otherwise eligible legal**
15 **dependent from receiving the tuition waiver. In such case, in lieu of**
16 **submitting the certificate of verification provided for in subdivision**
17 **(4)(a) of this section, the legal dependent shall submit a certificate of**
18 **verification from the fire chief of such firefighter's fire department**
19 **attesting that:**

20 **(i) At the time of such death, such firefighter satisfied subsection**
21 **(1) of this section; and**

22 **(ii) Such firefighter died in the line of duty.**

23 (5) Within forty-five days after receipt of a completed application,
24 the state university, state college, or community college shall send
25 written notice of the professional firefighter's or legal dependent's
26 eligibility or ineligibility for the tuition waiver. If the professional
27 firefighter or legal dependent is determined not to be eligible for the
28 tuition waiver, the notice shall include the reason or reasons for such
29 determination ~~and an indication that an appeal of the determination may~~
30 ~~be made pursuant to the Administrative Procedure Act.~~

31 Sec. 101. Section 85-2605, Revised Statutes Supplement, 2023, is

1 amended to read:

2 85-2605 (1) Each legal dependent who is a tuition waiver recipient
3 under the First Responder Recruitment and Retention Act shall execute an
4 agreement ~~with the state~~. Such agreement shall be exempt from the
5 requirements of sections 73-501 to 73-510 and shall include the following
6 terms, as appropriate:

7 (a) The tuition waiver recipient agrees to reside within the State
8 of Nebraska for a period of five years following the use of the tuition
9 waiver;

10 (b) Each year during the five-year period following use of the
11 tuition waiver the tuition waiver recipient agrees to file a tax return
12 with the Department of Revenue to document that such recipient still
13 resides in the State of Nebraska;

14 (c) If the tuition waiver recipient fails to annually file a tax
15 return to prove residency in the State of Nebraska for the five-year
16 period following the use of the tuition waiver or fails to remain a
17 resident of Nebraska for the five-year period following the use of the
18 tuition waiver, the tuition waiver recipient agrees to repay the
19 community college, state college, or state university that such tuition
20 waiver recipient attended the amount of tuition that was waived for such
21 individual if the community college, state college, or state university
22 requests such payment on the dates and in the amounts requested; and

23 (d) Any residency, filing, or payment obligation incurred by the
24 tuition waiver recipient under the First Responder Recruitment and
25 Retention Act is canceled in the event of the tuition waiver recipient's
26 total and permanent disability or death.

27 (2) The five-year residency requirement begins to run after use of
28 the first tuition waiver and:

29 (a) Completion of the five-year tuition waiver eligibility;

30 (b) Completion of an undergraduate degree at a state college or
31 state university;

1 (c) Completion of a two-year degree at a community college and
2 notification by the tuition waiver recipient to the Department of Revenue
3 that such recipient does not intend to pursue an undergraduate degree or
4 additional two-year degree using tuition waivers pursuant to the First
5 Responder Recruitment and Retention Act; or

6 (d) Notification by the tuition waiver recipient to the Department
7 of Revenue that such recipient does not plan to use additional tuition
8 waivers pursuant to the First Responder Recruitment and Retention Act.

9 Sec. 102. On or before December 31 of each year, each state
10 university, state college, and community college shall provide to the
11 Department of Revenue a list of the legal dependents who received a
12 tuition waiver pursuant to the First Responder Recruitment and Retention
13 Act during such year.

14 Sec. 103. (1) The Department of Revenue shall maintain a record of
15 the legal dependents who have received tuition waivers pursuant to the
16 First Responder Recruitment and Retention Act.

17 (2) On or before each August 1, the department shall provide a
18 report to each state university, state college, and community college
19 indicating which tuition waiver recipients have failed to file a tax
20 return with the department to document that such recipients still resided
21 in the State of Nebraska during the preceding year.

22 Sec. 104. It is the intent of the Legislature to appropriate one
23 million dollars for fiscal year 2024-25 from the General Fund to the
24 Department of Environment and Energy to fund the installation of real-
25 time nitrate sensors in monitoring wells statewide to prioritize nitrate
26 management and reduction.

27 Sec. 105. Sections 59, 60, 61, 62, 63, 64, 70, 71, 72, 80, 82, 83,
28 84, and 107 of this act become operative on January 1, 2025. Sections 24,
29 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42,
30 43, 44, 45, 46, 47, 48, 49, 51, 52, 53, 54, 57, 58, 73, 74, 75, 76, 77,
31 78, 85, 86, 87, 88, 89, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, and

1 108 of this act become operative three calendar months after the
2 adjournment of this legislative session. The other sections of this act
3 become operative on their effective date.

4 Sec. 106. If any section in this act or any part of any section is
5 declared invalid or unconstitutional, the declaration shall not affect
6 the validity or constitutionality of the remaining portions.

7 Sec. 107. Original sections 60-301, 60-302, 60-3,191, 66-4,105,
8 77-101, 77-106, and 77-2704.66, Reissue Revised Statutes of Nebraska,
9 section 66-482, Revised Statutes Cumulative Supplement, 2022, and
10 sections 77-2701 and 77-2701.04, Revised Statutes Supplement, 2023, are
11 repealed.

12 Sec. 108. Original sections 2-1207, 9-810, 9-1104, 44-314, 77-1333,
13 77-1359, 77-3002, and 77-3003, Reissue Revised Statutes of Nebraska,
14 sections 43-512.12, 77-202, 77-202.01, 77-202.03, 77-3011, 77-5601, and
15 77-6831, Revised Statutes Cumulative Supplement, 2022, and sections
16 9-1110, 13-3102, 13-3103, 13-3104, 13-3108, 77-2716, 85-2601, 85-2602,
17 85-2603, 85-2603.01, and 85-2605, Revised Statutes Supplement, 2023, are
18 repealed.

19 Sec. 109. Original sections 13-520, 18-1208, 18-2103, 70-1002.02,
20 77-5005, 77-5017, and 77-5018, Reissue Revised Statutes of Nebraska, and
21 sections 70-1001.01, 77-2015, 77-2701.02, 77-4405, and 77-4406, Revised
22 Statutes Supplement, 2023, are repealed.

23 Sec. 110. Since an emergency exists, this act takes effect when
24 passed and approved according to law.