

**ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022**  
**COMMITTEE STATEMENT**  
**LB919**

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**Hearing Date:** Thursday February 10, 2022  
**Committee On:** Revenue  
**Introducer:** Lindstrom  
**One Liner:** Redefine terms under the Sports Arena Facility Financing Assistance Act

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

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**Vote Results:**

<b>Aye:</b>	6	Senators Albrecht, Briese, Flood, Friesen, Lindstrom, Linehan
<b>Nay:</b>		
<b>Absent:</b>	1	Senator Pahls
<b>Present Not Voting:</b>	1	Senator Bostar

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**Oral Testimony:**

**Proponents:**

Senator Brett Lindstrom  
Jeff LeDent  
Brad Mellema

**Representing:**

Introducer  
Millard United Sports  
Grand Island Visitors Bureau

**Opponents:**

Lynn Rex

**Representing:**

League of Nebraska Municipalities

**Neutral:**

**Representing:**

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

LB919 makes two changes to the sports complex provisions of the Sports Arena Facility Financing Assistance Act. LB39 by Senator Lindstrom was enacted during the 2021 Session. It created the sports complex provisions, as distinguished from the existing sports arena provisions.

The bill changes the definition of "political subdivision" from any city, village or county to the definition found in section 13-1612. This statute states:

Political subdivision shall include villages, cities, counties, school districts, public power districts, community colleges, natural resources districts, and all other units of local government.

Secondly, it increases the program area for purposes of the sales tax turn back. The original language included an area within 600 yards of the complex. LB919 expands that area to within 1,500 yards of the complex.

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**Explanation of amendments:**

Provisions/portions of LB939 and LB723 were in AM2513.

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AM2513 becomes the bill.

- It stretches out the reduction in the top nominal individual rate over 5 years rather than 3 years. This helps to reduce the cost in each year;
- It stretches out the reduction in the top nominal corporate rate over 4 more years rather than 3 years. Again, this helps to reduce the cost in each year;
- By Tax Year 2027, the top nominal individual and corporate rates reach parity at 5.84%, but it takes us a little longer to get there;
- Regarding property taxes, it adds a refundable income tax credit for Community College taxes paid in addition to the refundable credit for school district taxes paid;
  - This refundable credit is set at \$50 Million for Tax Year 2022, then \$100 Million in 2023, \$125 Million for 2024, \$150 Million for 2025, \$195 Million for 2026.
  - For 2027 forward, the credit is the prior year's amount, increased by the allowable growth percentage. This is set at 5%.
- It incorporates the core provisions of LB723 introduced by Senator Briese which sets a floor for the refundable income tax credit;
  - The credit is set at \$548 Million for Tax Year 2022 and at nearly \$561 Million for Tax Year 2023;
  - For Tax Year 2024 and forward, the credit is the prior year's amount, increased by the allowable growth percentage. This is set at 5%.

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Lou Ann Linehan, Chairperson