

AMENDMENTS TO LB727

(Amendments to Standing Committee amendments, AM1152)

Introduced by Blood, 3.

1           1. Strike sections 11 to 14 and insert the following new sections:

2           Sec. 11. For purposes of the Good Life Transformational Projects  
3 Act:

4           (1) Department means the Department of Economic Development;

5           (2) Director means the Director of Economic Development; and

6           (3) Good life district means a district established pursuant to  
7 section 14 of this act.

8           Sec. 12. (1) Any person may apply to the department to create a good  
9 life district. All applications shall be in writing and shall contain:

10           (a) A description of the proposed project to be undertaken within  
11 the good life district;

12           (b) An estimate of the total new development costs for the project;

13           (c) An estimate of the number of new jobs to be created as a result  
14 of the project and the average wage rate to be paid for such jobs;

15           (d) A map identifying the good life district to be used for purposes  
16 of the project;

17           (e) A description of the proposed financing of the project;

18           (f) Resolutions endorsing the proposed project from the governing  
19 bodies of the county and city in which the district will be located;

20           (g) Documentation of local financial commitment to support the  
21 project, including all public and private resources pledged or committed  
22 to the project and a copy of any operating agreement or lease with  
23 substantial users of the project area;

24           (h) Marketing plans and a five-year proposed advertising budget that  
25 targets individuals who are not residents of this state; and

26           (i) Sufficient documents, plans, and specifications as required by

1 the department to define the project, including the following:

2 (i) A statement of how the jobs and taxes obtained from the project  
3 will contribute significantly to the economic development of the state  
4 and region;

5 (ii) Visitation expectations and a plan describing how the number of  
6 visitors to the good life district will be tracked and reported on an  
7 annual basis;

8 (iii) Any unique qualities of the project;

9 (iv) An economic impact study, including the anticipated effect of  
10 the project on the regional and statewide economies;

11 (v) Project accountability, measured according to best industry  
12 practices;

13 (vi) The expected return on state and local investment the project  
14 is anticipated to produce; and

15 (vii) A summary of community involvement, participation, and support  
16 for the project.

17 (2) Upon receiving an application, the department shall review the  
18 application and notify the applicant of any additional information needed  
19 for a proper evaluation of the application.

20 (3) The application and all supporting information shall be  
21 confidential except for the location of the project, the total new  
22 development costs estimated for the project, the number of new jobs  
23 estimated to be created as a result of the project, and the average wage  
24 rate to be paid for such new jobs.

25 Sec. 13. (1) Following the filing of an application, the department  
26 shall submit the application to an independent consultant selected by the  
27 department who shall perform an in-depth analysis of the proposed  
28 project. All costs associated with such analysis shall be paid for by the  
29 applicant. In order for the application to be eligible for approval, the  
30 consultant's report must determine that:

31 (a) The total new development costs of the project will exceed:

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

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

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

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

11       (b) The project will directly or indirectly result in the creation  
12 of at least:

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

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

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

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

23       (c)(i) For a project that will be located in a county with a  
24 population of one hundred thousand inhabitants or more, upon completion  
25 of the project, at least thirty percent of the sales at each new business  
26 started as a result of the project will be made to persons residing  
27 outside the State of Nebraska and the project will attract new-to-market  
28 retail to the state and will generate a minimum of three million visitors  
29 per year; or

30       (ii) For a project that will be located in a county with a  
31 population of less than one hundred thousand inhabitants, upon completion

1 of the project, at least thirty percent of the sales at each new business  
2 started as a result of the project will be made to persons residing  
3 outside the State of Nebraska;

4 (d) The project will have a significant and positive economic impact  
5 on the state by considering, among other factors, the extent to which the  
6 project will compete directly with existing developments in the state and  
7 the amount by which the increased tax revenue from the project will  
8 exceed the loss in revenue by the state; and

9 (e) The project will not adversely affect existing employment in the  
10 state.

11 (2) The department shall hold a public hearing on the proposed  
12 project prior to approval in order to allow an opportunity for public  
13 comment on the project.

14 (3) An application shall not be eligible for approval if the  
15 applicant is receiving any other state tax incentive associated with the  
16 same project.

17 (4) If the requirements of this section are met and an application  
18 is eligible for approval, the department may approve the application.

19 Sec. 14. (1) Upon approval of an application, the director shall  
20 enter into an agreement with the applicant. The agreement shall include,  
21 but not be limited to:

22 (a) The total new development costs estimated for the project;

23 (b) The number of new jobs estimated to be created as a result of  
24 the project, including a requirement that the average wage rate paid for  
25 such new jobs must be at least equal to the statewide average hourly wage  
26 paid by all employers in all counties in Nebraska as calculated by the  
27 Office of Labor Market Information of the Department of Labor using  
28 annual data from the Quarterly Census of Employment and Wages published  
29 by the federal Bureau of Labor Statistics;

30 (c) The good life district to be used for the project;

31 (d) A date certain by which the approved applicant shall have

1 completed the project and begun operations. Upon request from any  
2 approved applicant, the department shall grant an extension to such date,  
3 which shall not exceed eighteen months;

4 (e) A requirement to provide an annual trade area report identifying  
5 where visitors to the good life district live; and

6 (f) A statement specifying the term of the agreement.

7 (2) Once the agreement is entered into under this section, the good  
8 life district shall be established as described in the agreement. Upon  
9 establishment of the district, any transactions occurring within the  
10 district shall be subject to a reduced sales tax rate as provided in  
11 section 77-2701.02. The district shall last for no more than ten years  
12 and shall not exceed two thousand acres in size.

13 (3) Compliance with the agreement is subject to review by the  
14 department. In the event an approved applicant fails to abide by the  
15 terms of the agreement, then such agreement shall become void and the  
16 district shall be dissolved.

17 (4) An approved applicant may, at the discretion of the department,  
18 transfer its rights, duties, and obligations under the agreement to a  
19 successor company if the successor company would have qualified for  
20 approval had it submitted the original application. If the transfer is  
21 approved by the department, such successor company shall abide by the  
22 agreement for the remaining term of the agreement.