

AMENDMENTS TO LB1197

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 13-3102, Revised Statutes Supplement, 2023, is
4 amended to read:

5 13-3102 For purposes of the Sports Arena Facility Financing
6 Assistance Act:

7 (1) Applicant means:

8 (a) A political subdivision; or

9 (b) A political subdivision and nonprofit corporation ~~organization~~
10 that jointly submit an application under the act;

11 (2) Board means a board consisting of the Governor, the State
12 Treasurer, the chairperson of the Nebraska Investment Council, the
13 chairperson of the Nebraska State Board of Public Accountancy, and a
14 professor of economics on the faculty of a state postsecondary
15 educational institution appointed to a two-year term on the board by the
16 Coordinating Commission for Postsecondary Education. For administrative
17 and budget purposes only, the board shall be considered part of the
18 Department of Revenue;

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

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

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

1 (6) Date that the project commenced means the date when a project
2 starts as specified by a contract, resolution, or formal public
3 announcement;

4 (7) Economic redevelopment area means an area in the State of
5 Nebraska in which:

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

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

13 (8) Eligible sports arena facility means:

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

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

26 (c) Any publicly owned sports complex, including concession areas,
27 parking facilities, and onsite administrative offices connected with
28 operating the sports complex;~~and~~

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

1 (e) Any privately owned sports complex, including concession areas,
2 parking facilities, and onsite administrative offices connected with
3 operating the sports complex;

4 (9) General obligation bond means any bond or refunding bond issued
5 by a political subdivision and which is payable from the proceeds of an
6 ad valorem tax;

7 (10) Governmental use means operational control and use by the
8 political subdivision for a statutorily permitted purpose of the
9 political subdivision;

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

17 (12) ~~(11)~~ Multipurpose field means a rectangular field of grass or
18 synthetic turf which is primarily used for competitive field sports,
19 including, but not limited to, soccer, football, flag football, lacrosse,
20 or rugby;

21 (13) ~~(12)~~ Nearby parking facility means any parking lot, parking
22 garage, or other parking structure that is not directly connected to an
23 eligible sports arena facility but which is located, in whole or in part,
24 within seven hundred yards of an eligible sports arena facility, measured
25 from any point of the exterior perimeter of such facility but not from
26 any other parking facility or other structure;

27 (14) ~~(13)~~ Nearby retailer means a retailer as defined in section
28 77-2701.32 that is located within the program area. The term includes a
29 subsequent owner of a nearby retailer operating at the same location;

30 (15) ~~(14)~~ New state sales tax revenue means:

31 (a) For any eligible sports arena facility that is not a sports

1 complex:

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

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

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

23 ~~(16)~~ ~~(15)~~ Political subdivision means (a) any city, village, or
24 county, school district, or community college area or (b) a joint entity
25 formed under the Interlocal Cooperation Act which includes a city,
26 village, or county as a member;

27 ~~(17)~~ ~~(16)~~ Program area means:

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

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
15 complex; τ

16 (i) For applications for state assistance submitted prior to the
17 effective date of this act, the area that is located within six hundred
18 yards of an eligible sports arena facility, measured from any point of
19 the exterior boundary or property line of the facility; or τ

20 (ii) For applications for state assistance submitted on or after the
21 effective date of this act, the area that is located within six hundred
22 yards of an eligible sports arena facility, measured from any point of
23 the exterior boundary or property line of the facility, except that if
24 twenty-five percent or more of such area is unbuildable property, then
25 the program area shall be adjusted so that:

26 (A) It avoids as much of the unbuildable property as is practical;

27 and

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

31 Approval of an application for state assistance by the board

1 pursuant to section 13-3106 shall establish the program area as that area
2 depicted in the map accompanying the application for state assistance as
3 submitted pursuant to subdivision (2)(c) of section 13-3104;

4 (18) ~~(17)~~ Project completion date means:

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

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

10 (19) ~~(18)~~ Revenue bond means any bond or refunding bond issued by a
11 political subdivision which is limited or special rather than a general
12 obligation bond of the political subdivision and which is not payable
13 from the proceeds of an ad valorem tax;

14 (20) ~~(19)~~ Sports complex means a facility that:

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

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

17 (c) Contains at least:

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

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

22 (iii) Four separate sports venues if such facility is located (A) in
23 a city of the first class, city of the second class, or village, (B)
24 within a county but outside the corporate limits of any city or village,
25 (C) in an economic redevelopment area, or (D) in an opportunity zone
26 designated pursuant to the federal Tax Cuts and Jobs Act, Public Law
27 115-97;

28 (21) ~~(20)~~ Sports venue includes, but is not limited to:

29 (a) A baseball field;

30 (b) A softball field;

31 (c) A multipurpose field;

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

8 (22) ~~(21)~~ Unbuildable property means any real property that is
9 located in a floodway, an environmentally protected area, a right-of-way,
10 or a brownfield site as defined in 42 U.S.C. 9601 that the political
11 subdivision determines is not suitable for the construction or location
12 of residential, commercial, or other buildings or facilities.

13 Sec. 2. Section 13-3103, Revised Statutes Supplement, 2023, is
14 amended to read:

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

28 (2) Except as provided in subsections (3) and (4) of this section,
29 the ~~The~~ state assistance shall only be used by the applicant to pay back
30 amounts expended or borrowed through one or more issues of bonds to be
31 expended by the applicant to acquire, construct, improve, or equip the

1 publicly owned eligible sports arena facility and to acquire, construct,
2 improve, or equip publicly owned nearby parking facilities.

3 (3) For an eligible sports arena facility that is a privately owned
4 concert venue, the state assistance shall only be used by the applicant
5 (a) to pay back amounts expended or borrowed through one or more issues
6 of bonds to be expended by the applicant to acquire, construct, improve,
7 or equip a nearby parking facility or (b) to promote arts and cultural
8 events which are open to or made available to the general public.

9 (4) For an eligible sports arena facility that is a privately owned
10 sports complex, the state assistance shall only be used by the applicant
11 (a) to pay back amounts expended or borrowed through one or more issues
12 of bonds to be expended by the applicant to acquire, construct, improve,
13 or equip a privately owned sports complex, (b) to lease all or a portion
14 of such privately owned sports complex for the governmental use of the
15 political subdivision, or (c) to promote sporting events which are open
16 to or made available to the general public.

17 ~~(5) No (4) For applications for state assistance approved on or~~
18 ~~after October 1, 2016, (a) no more than fifty percent of the final cost~~
19 ~~of the project shall be funded by state assistance received pursuant to~~
20 ~~section 13-3108 and (b) no more than ten years of funding for promotion~~
21 ~~of the arts and cultural events shall be paid by state assistance~~
22 ~~received pursuant to section 13-3108. No more than ten years of funding~~
23 ~~for promotion of sporting events shall be paid by state assistance~~
24 ~~received pursuant to section 13-3108.~~

25 Sec. 3. Section 13-3104, Revised Statutes Supplement, 2023, is
26 amended to read:

27 13-3104 (1) All applications for state assistance under the Sports
28 Arena Facility Financing Assistance Act shall be in writing and shall
29 include a certified copy of the approving action of the governing body of
30 the applicant describing the proposed project for which state assistance
31 is requested and the anticipated financing.

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

3 (a) A description of the proposed financing of the project,
4 including the estimated principal and interest requirements for the bonds
5 proposed to be issued in connection with the project or the amounts
6 necessary to repay the original investment by the applicant in the
7 project;

8 (b) Documentation of local financial commitment to support the
9 project, including all public and private resources pledged or committed
10 to the project and including a copy of any operating agreement or lease
11 with substantial users of the eligible sports arena facility;

12 (c) For applications submitted on or after October 1, 2016, a map
13 identifying the program area, including any unbuildable property within
14 the program area or taken into account in adjusting the program area as
15 described in subdivision ~~(16)(a)(ii)~~ (17) of section 13-3102; and

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

17 (3) If the state assistance will be used to provide funding for
18 promotion of the arts and cultural events or for promotion of sporting
19 events, the application shall contain:

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

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

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

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

30 Sec. 4. Section 13-3108, Revised Statutes Supplement, 2023, is
31 amended to read:

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

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

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

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

22 (b) The amount to be appropriated for distribution as state
23 assistance to a political subdivision under this subsection for any one
24 year after the tenth year shall not exceed the highest such amount
25 appropriated under subdivision (3)(a) of this section during any one year
26 of the first ten years of such appropriation. If seventy percent of the
27 state sales tax revenue as described in subdivision (3)(a) of this
28 section exceeds the amount to be appropriated under this subdivision,
29 such excess funds shall be transferred to the General Fund.

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

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

6 (6) The total amount of state assistance approved for an eligible
7 sports arena facility shall not exceed one hundred million dollars.

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

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

19 (8) State assistance shall not be used for an operating subsidy for
20 any publicly owned eligible sports arena facility or nearby parking
21 facility.

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

25 (a) If the revenue relates to an eligible sports arena facility that
26 is a sports complex and that is approved for state assistance under
27 section 13-3106 on or after May 26, 2021, eighty-three percent of such
28 revenue shall be transferred to the Support the Arts Cash Fund and
29 seventeen percent of such revenue shall be transferred to the Convention
30 Center Support Fund; and

31 (b) If the revenue relates to any other eligible sports arena

1 facility, such revenue shall be transferred to the Civic and Community
2 Center Financing Fund.

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

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

13 Sec. 5. Section 82-335, Revised Statutes Supplement, 2023, is
14 amended to read:

15 82-335 (1) The Nebraska Arts Council shall establish a competitive
16 grant program to award grants to cities of the first class, cities of the
17 second class, and villages as provided in this section. The grants shall
18 be awarded from funds transferred to the Support the Arts Cash Fund
19 pursuant to subdivision (9)(a) of section 13-3108.

20 (2) A city of the first class, city of the second class, or village
21 is eligible for a grant under this section if:

22 (a) The city or village has a creative district within its
23 boundaries that has a ten-year plan for integration of the arts intended
24 to catalyze economic and workforce development initiatives in such city
25 or village; and

26 (b) The city or village is not receiving state assistance under the
27 Sports Arena Facility Financing Assistance Act.

28 (3) Priority in grant funding shall go to any city of the first
29 class, city of the second class, or village described in subsection (2)
30 of this section whose project includes the partnership of a city or
31 village convention and visitors bureau or county convention and visitors

1 bureau.

2 (4) Grants under this section may fund capital assets, video
3 projection mapping, ~~and~~ intangible video or audio artistic expression
4 presentations, planning expenses, architectural expenses, engineering
5 expenses, live performances, and promotional or marketing efforts of the
6 creative district. Grants shall not fund ongoing operational and
7 personnel expenses of a political subdivision or nonprofit corporation,
8 ~~live performances, promotional or marketing efforts of the creative~~
9 ~~district,~~ legal expenses, or lobbying expenses, ~~planning expenses,~~
10 ~~architectural expenses, or engineering expenses.~~

11 (5) Any assets acquired using grant funds shall be owned by the city
12 of the first class, city of the second class, or village receiving such
13 grant.

14 (6) Any grant awarded under this section shall be in an amount
15 determined by the Nebraska Arts Council, which shall not be less than one
16 hundred thousand dollars.

17 (7) For purposes of this section, creative district means a creative
18 district established pursuant to subdivision (5) of section 82-312.

19 Sec. 6. Original sections 13-3102, 13-3103, 13-3104, 13-3108, and
20 82-335, Revised Statutes Supplement, 2023, are repealed.