

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1197**

FINAL READING

Introduced by von Gillern, 4.

Read first time January 16, 2024

Committee: Revenue

1 A BILL FOR AN ACT relating to economic development; to amend section  
2 13-3101, Reissue Revised Statutes of Nebraska, and sections 13-3102,  
3 13-3103, 13-3104, 13-3108, and 82-335, Revised Statutes Supplement,  
4 2023; to define and redefine terms and change provisions relating to  
5 the use of state assistance, applications, and certain limitations  
6 on state assistance under the Sports Arena Facility Financing  
7 Assistance Act; to change provisions relating to a competitive grant  
8 program established by the Nebraska Arts Council; to harmonize  
9 provisions; and to repeal the original sections.  
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-3101, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 13-3101 Sections 13-3101 to 13-3109 and section 5 of this act shall  
4 be known and may be cited as the Sports Arena Facility Financing  
5 Assistance Act.

6 Sec. 2. Section 13-3102, Revised Statutes Supplement, 2023, is  
7 amended to read:

8 13-3102 For purposes of the Sports Arena Facility Financing  
9 Assistance Act:

10 (1) Applicant means:

11 (a) A political subdivision; or

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

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

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

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

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

31 (6) Date that the project commenced means the date when a project

1 starts as specified by a contract, resolution, or formal public  
2 announcement;

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

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

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

12 (8) Eligible sports arena facility means:

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

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

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

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

31 (e) Any privately owned sports complex, including concession areas,

1 parking facilities, and onsite administrative offices connected with  
2 operating the sports complex;

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

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

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

16 (12) ~~(11)~~ Multipurpose field means a rectangular field of grass or  
17 synthetic turf which is primarily used for competitive field sports,  
18 including, but not limited to, soccer, football, flag football, lacrosse,  
19 or rugby;

20 (13) ~~(12)~~ Nearby parking facility means any parking lot, parking  
21 garage, or other parking structure that is not directly connected to an  
22 eligible sports arena facility but which is located, in whole or in part,  
23 within seven hundred yards of an eligible sports arena facility, measured  
24 from any point of the exterior perimeter of such facility but not from  
25 any other parking facility or other structure;

26 (14) ~~(13)~~ Nearby retailer means a retailer as defined in section  
27 77-2701.32 that is located within the program area. The term includes a  
28 subsequent owner of a nearby retailer operating at the same location;

29 (15) ~~(14)~~ New state sales tax revenue means:

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

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

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

15 (b) For any eligible sports arena facility that is a sports complex  
16 which is not located in a city of the second class or village, one  
17 hundred percent of the state sales tax revenue that (i) is collected by a  
18 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; or

23 (c) For any eligible sports arena facility that is a sports complex  
24 located in a city of the second class or village, one hundred percent of  
25 the state sales tax revenue that (i) is collected by a nearby retailer  
26 and (ii) is sourced under sections 77-2703.01 to 77-2703.04 to the  
27 program area;

28 (16) (15) Political subdivision means (a) any city, village, or  
29 county, school district, or community college area or (b) a joint entity  
30 formed under the Interlocal Cooperation Act which includes a city,  
31 village, or county as a member;

1           (17) ~~(16)~~ Program area means:

2           (a) For any eligible sports arena facility that is not a sports  
3 complex:

4           (i) For applications for state assistance submitted prior to October  
5 1, 2016, the area that is located within six hundred yards of an eligible  
6 sports arena facility, measured from any point of the exterior perimeter  
7 of the facility but not from any parking facility or other structure; or

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

14           (A) It avoids as much of the unbuildable property as is practical;  
15 and

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

19           (b) For any eligible sports arena facility that is a sports complex  
20 which is not located in a city of the second class or village; ~~r~~

21           (i) For applications for state assistance submitted prior to the  
22 effective date of this act, the area that is located within six hundred  
23 yards of an eligible sports arena facility, measured from any point of  
24 the exterior boundary or property line of the facility; or ~~r~~

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

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

1 and

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

5 (c) For any eligible sports arena facility that is a sports complex  
6 located in a city of the second class or village, the corporate limits of  
7 the city of the second class or village in which the facility is located.

8 Approval of an application for state assistance by the board  
9 pursuant to section 13-3106 shall establish the program area as that area  
10 depicted in the map accompanying the application for state assistance as  
11 submitted pursuant to subdivision (2)(c) of section 13-3104;

12 (18) (17) Project completion date means:

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

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

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

22 (20) (19) Sports complex means a facility that:

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

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

25 (c) Contains at least:

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

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

30 (iii) Four separate sports venues if such facility is located (A) in  
31 a city of the first class, ~~city of the second class, or village,~~ (B)

1 within a county but outside the corporate limits of any city or village,  
2 (C) in an economic redevelopment area, or (D) in an opportunity zone  
3 designated pursuant to the federal Tax Cuts and Jobs Act, Public Law  
4 115-97; or

5 (iv) Two separate sports venues if such facility is located in a  
6 city of the second class or village;

7 (21) (20) Sports venue includes, but is not limited to:

8 (a) A baseball field;

9 (b) A softball field;

10 (c) A multipurpose field;

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

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

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

18 (22) (21) Unbuildable property means any real property that is  
19 located in a floodway, an environmentally protected area, a right-of-way,  
20 or a brownfield site as defined in 42 U.S.C. 9601 that the political  
21 subdivision determines is not suitable for the construction or location  
22 of residential, commercial, or other buildings or facilities.

23 Sec. 3. Section 13-3103, Revised Statutes Supplement, 2023, is  
24 amended to read:

25 13-3103 (1) Any applicant may apply to the board for state  
26 assistance if (a) the applicant has acquired, constructed, improved, or  
27 equipped an eligible sports arena facility, (b) the applicant has  
28 approved a revenue bond issue or a general obligation bond issue to  
29 acquire, construct, improve, or equip an eligible sports arena facility,  
30 (c) the applicant has adopted a resolution authorizing the applicant to  
31 pursue a general obligation bond issue to acquire, construct, improve, or



1 equip an eligible sports arena facility, ~~or~~ (d) a building permit has  
2 been issued within the applicant's jurisdiction for an eligible sports  
3 arena facility that is a privately owned concert venue, or (e) a building  
4 permit has been issued or construction has been completed within the  
5 applicant's jurisdiction for an eligible sports arena facility that is a  
6 privately owned sports complex.

7 (2) Except as provided in subsections (3) and (4) of this section,  
8 the ~~The~~ state assistance shall only be used by the applicant to pay back  
9 amounts expended or borrowed through one or more issues of bonds to be  
10 expended by the applicant to acquire, construct, improve, or equip the  
11 publicly owned eligible sports arena facility and to acquire, construct,  
12 improve, or equip publicly owned nearby parking facilities.

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

19 (4) For an eligible sports arena facility that is a privately owned  
20 sports complex, the state assistance shall only be used by the applicant  
21 (a) to pay back amounts expended or borrowed through one or more issues  
22 of bonds to be expended by the applicant to acquire, construct, improve,  
23 or equip one or more public infrastructure projects, as defined in  
24 section 77-27,142, related to a privately owned sports complex, (b) to  
25 lease all or a portion of such privately owned sports complex for the  
26 governmental use of the political subdivision, (c) to promote sporting  
27 events which are open to or made available to the general public, or (d)  
28 to pay back amounts expended or borrowed through one or more debt issues  
29 to be expended by the nonprofit corporation coapplicant to acquire,  
30 construct, improve, or equip a privately owned sports complex, subject to  
31 voter approval as provided in section 5 of this act.

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

7       (b) No more than ten years of funding for promotion of sporting  
8 events shall be paid by state assistance received pursuant to section  
9 13-3108.

10       (c) No more than five years of funding for a sports complex located  
11 in a city of the second class or village shall be paid by state  
12 assistance received pursuant to section 13-3108.

13       Sec. 4. Section 13-3104, Revised Statutes Supplement, 2023, is  
14 amended to read:

15       13-3104 (1) All applications for state assistance under the Sports  
16 Arena Facility Financing Assistance Act shall be in writing and shall  
17 include a certified copy of the approving action of the governing body of  
18 the applicant describing the proposed project for which state assistance  
19 is requested and the anticipated financing.

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

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

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

31       (c) For applications submitted on or after October 1, 2016, a map

1 identifying the program area, including any unbuildable property within  
2 the program area or taken into account in adjusting the program area as  
3 described in subdivision (17) ~~(16)(a)(ii)~~ of section 13-3102; ~~and~~

4 (d) For applications for a privately owned sports complex subject to  
5 voter approval as provided in section 5 of this act, a description of the  
6 proposed ballot language and anticipated election date for such voter  
7 approval if the application is approved; and

8 (e) ~~(d)~~ Any other project information deemed appropriate by the  
9 board.

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

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

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

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

21 (5) Any state assistance received pursuant to the act shall be used  
22 only for public purposes, except as provided in section 5 of this act for  
23 a privately owned sports complex subject to voter approval.

24 Sec. 5. (1) State assistance may be used to pay or reimburse  
25 amounts expended for a privately owned sports complex, or borrowed  
26 through one or more debt issues to be expended by the applicant to  
27 acquire, construct, improve, or equip a privately owned sports complex,  
28 upon satisfaction of the following conditions:

29 (a) A city or village shall propose such privately owned sports  
30 complex as a sports complex economic development project in a resolution  
31 which includes all of the provisions described in this section for

1 establishing such project, except for the date of the proposed election  
2 described in this section;

3 (b) The application must be a joint application submitted by a city  
4 or village and a nonprofit corporation for a project to be owned by one  
5 or both of the coapplicants as a sports complex economic development  
6 project to be located within the corporate limits of such city or  
7 village. The application shall propose such project as an economic  
8 development project subject to the terms of this section;

9 (c) Approval of such application pursuant to section 13-3106 shall  
10 be conditional upon voter approval of the ballot question described in  
11 this section. If the ballot question is approved by the voters of such  
12 city or village, the approval of the board becomes permanent. If the  
13 ballot question is not approved by such voters, the approval shall become  
14 void; and

15 (d) Upon the conditional approval of such application, the city or  
16 village shall submit the question of approving the proposed sports  
17 complex economic development project to the registered voters at an  
18 election as follows:

19 (i) The governing body of the city or village shall order the  
20 submission of the question by filing a certified copy of the resolution  
21 proposing the sports complex economic development project with the  
22 election commissioner or county clerk not later than the eighth Friday  
23 prior to a special election or a municipal primary or general election  
24 which is not held at the statewide primary or general election, not later  
25 than March 1 prior to a statewide primary election, or not later than  
26 September 1 prior to a statewide general election;

27 (ii) The question on the ballot shall briefly set out the terms of  
28 the proposed sports complex economic development project, including that  
29 such project will be funded with state assistance received pursuant to  
30 the Sports Arena Facility Financing Assistance Act. In addition to all  
31 other information, the ballot question shall include the following

1 language: "Shall the city (or village) of (name of city or village)  
2 establish a sports complex economic development project as described here  
3 by appropriating annually from state assistance received by the city (or  
4 village) pursuant to the Sports Arena Facility Financing Assistance  
5 Act?"; and

6 (iii) If a majority of those voting on the issue vote in favor of  
7 the question, the governing body of the city or village shall implement  
8 the proposed sports complex economic development project upon the terms  
9 set out in the resolution calling for the election. If a majority of  
10 those voting on the issue vote against the question, the governing body  
11 shall not implement the sports complex economic development project.

12 (2) Funds received by the city or village for an approved sports  
13 complex economic development project shall be deposited to a separate  
14 fund established for such project to be used exclusively as described in  
15 this subsection and shall not be commingled with any other funds of the  
16 city or village. Such funds (a) shall first be used to pay or reimburse  
17 any preliminary or ongoing administrative costs of the city or village  
18 related to such project, (b) may be remitted to the nonprofit corporation  
19 coapplicant upon submission of proper evidence of expenditures related to  
20 such project, (c) may be pledged for and applied to payment of bonds  
21 issued by such city or village as provided in sections 13-1101 to  
22 13-1110, or (d) may otherwise be expended for the cost of such project if  
23 owned by the city or village. Any amount received and held for such  
24 project which is not committed or expended within five years for the  
25 project may be transferred to the general fund of such city or village by  
26 action of the governing body of such city or village after a public  
27 hearing. Such public hearing shall be held after not less than thirty  
28 days' written notice to the nonprofit corporation coapplicant delivered  
29 to its last known registered address.

30 (3) The sports complex economic development project authorized by  
31 this section shall be separate and apart from any other economic

1 development program of such city or village, including any economic  
2 development program established under the Local Option Municipal Economic  
3 Development Act. The powers conferred by this section shall be in  
4 addition and supplemental to the powers conferred by any other law and  
5 shall be independent of and in addition to any other provisions of the  
6 law of Nebraska, including the Local Option Municipal Economic  
7 Development Act and the Community Development Law. This section and all  
8 grants of power, authority, rights, or discretion to a political  
9 subdivision under the Sports Arena Facility Financing Assistance Act  
10 shall be liberally construed, and all incidental powers necessary to  
11 carry the act into effect are hereby expressly granted to and conferred  
12 upon a political subdivision.

13       Sec. 6. Section 13-3108, Revised Statutes Supplement, 2023, is  
14 amended to read:

15       13-3108 (1) The Sports Arena Facility Support Fund is created. Any  
16 money in the fund available for investment shall be invested by the state  
17 investment officer pursuant to the Nebraska Capital Expansion Act and the  
18 Nebraska State Funds Investment Act.

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

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

25       (3)(a) It is the intent of the Legislature to appropriate from the  
26 fund money to be distributed as provided in subsections (4) and (5) of  
27 this section to any political subdivision for which an application for  
28 state assistance under the Sports Arena Facility Financing Assistance Act  
29 has been approved an amount not to exceed:

30       (i) For any eligible sports arena facility that is not a sports  
31 complex located in a city of the second class or village, seventy percent

1 of the (A) (i) state sales tax revenue collected by retailers doing  
2 business at eligible sports arena facilities on sales at such facilities,  
3 (B) (ii) state sales tax revenue collected on primary and secondary box  
4 office sales of admissions to such facilities, and (C) (iii) new state  
5 sales tax revenue collected by nearby retailers and sourced under  
6 sections 77-2703.01 to 77-2703.04 to the program area; or -

7 (ii) For any eligible sports arena facility that is a sports complex  
8 located in a city of the second class or village, twenty-five percent of  
9 the (A) state sales tax revenue collected by retailers doing business at  
10 eligible sports arena facilities on sales at such facilities, (B) state  
11 sales tax revenue collected on primary and secondary box office sales of  
12 admissions to such facilities, and (C) new state sales tax revenue  
13 collected by nearby retailers and sourced under sections 77-2703.01 to  
14 77-2703.04 to the program area.

15 (b) The amount to be appropriated for distribution as state  
16 assistance to a political subdivision under this subsection for any one  
17 year after the tenth year shall not exceed the highest such amount  
18 appropriated under subdivision (3)(a) of this section during any one year  
19 of the first ten years of such appropriation. If seventy percent of the  
20 state sales tax revenue as described in subdivision (3)(a) of this  
21 section exceeds the amount to be appropriated under this subdivision,  
22 such excess funds shall be transferred to the General Fund. This  
23 subdivision does not apply to any eligible sports arena facility that is  
24 a sports complex located in a city of the second class or village.

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

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

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

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

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

15 (c) If the state assistance will be used to provide funding for a  
16 sports complex located in a city of the second class or village, such  
17 state assistance to the political subdivision shall no longer be  
18 available after five years of funding or when state assistance reaches  
19 the amount determined under subsection (6) of this section, whichever  
20 comes first.

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

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

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



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

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

6 (10) The seventy-five percent of state sales tax revenue remaining  
7 after the appropriation and transfer in subdivision (3)(a)(ii) of this  
8 section shall be distributed in accordance with section 77-27,132.

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

15 (12) ~~(11)~~ A city of the primary class shall not be eligible to  
16 receive a grant of assistance from the Civic and Community Center  
17 Financing Act if the city has applied for and received a grant of  
18 assistance under the Sports Arena Facility Financing Assistance Act.

19 Sec. 7. Section 82-335, Revised Statutes Supplement, 2023, is  
20 amended to read:

21 82-335 (1) The Nebraska Arts Council shall establish a competitive  
22 grant program to award grants to cities of the first class, cities of the  
23 second class, and villages as provided in this section. The grants shall  
24 be awarded from funds transferred to the Support the Arts Cash Fund  
25 pursuant to subdivision (9)(a) of section 13-3108.

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

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

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

3 (3) Priority in grant funding shall go to any city of the first  
4 class, city of the second class, or village described in subsection (2)  
5 of this section whose project includes the partnership of a city or  
6 village convention and visitors bureau or county convention and visitors  
7 bureau.

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

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

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

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

25 Sec. 8. Original section 13-3101, Reissue Revised Statutes of  
26 Nebraska, and sections 13-3102, 13-3103, 13-3104, 13-3108, and 82-335,  
27 Revised Statutes Supplement, 2023, are repealed.