

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 471

Introduced by Karpisek, 32.

Read first time January 14, 2011

Committee: Urban Affairs

A BILL

1 FOR AN ACT relating to the Local Option Municipal Economic
2 Development Act; to amend sections 18-2708 and 18-2714,
3 Reissue Revised Statutes of Nebraska; to expand local
4 sources of revenue for the use of economic development
5 programs; and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2708, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 18-2708 Local sources of revenue ~~shall mean~~ means the
4 city's property tax, ~~or~~ the city's local option sales tax, or any
5 other general tax levied by the city or generated from municipally
6 owned utilities or grants, donations, or state and federal funds
7 received by the city subject to any restrictions of the grantor,
8 donor, or state or federal law. Funds generated from municipally
9 owned utilities shall be used for utility-related purposes or
10 activities associated with the economic development program as
11 determined by the city council, including, but not limited to, load
12 management, energy efficiency, energy conservation, incentives for
13 load growth, line extensions, land purchase, site development, and
14 demand side management measures.

15 Sec. 2. Section 18-2714, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 18-2714 (1) After approval by the voters of an economic
18 development program, the governing body of the city shall, within
19 forty-five days after such approval, establish the economic
20 development program by ordinance in conformity with the terms of such
21 program as set out in the original enabling resolution.

22 (2) After the adoption of the ordinance establishing the
23 economic development program, such ordinance shall only be amended
24 (a) to conform to the provisions of any existing or future state or
25 federal law or (b) after notice, at least one public hearing, and a

1 two-thirds vote of the members of the governing body of the city,
2 when necessary to accomplish the purposes of the original enabling
3 resolution.

4 (3) The governing body of a city shall not amend the
5 economic development program so as to fundamentally alter its basic
6 structure or goals, either with regard to the qualifying businesses
7 that are eligible to participate, the local sources of revenue used
8 to fund the program, the uses of the funds collected, or the basic
9 terms set out in the original enabling resolution, without submitting
10 the proposed changes to a new vote of the registered voters of the
11 city in the manner provided for in section 18-2713.

12 (4) The governing body of a city may, at any time after
13 the adoption of the ordinance establishing the economic development
14 program, by a two-thirds vote of the members of the governing body,
15 repeal the ordinance in its entirety and end the economic development
16 program, subject only to the provisions of any existing contracts
17 relating to such program and the rights of any third parties arising
18 from those contracts. Prior to such vote by the governing body, it
19 shall publish notice of its intent to consider the repeal and hold a
20 public hearing on the issue. Any funds in the custody of the city for
21 such economic development program which are not spent or committed at
22 the time of the repeal and any funds to be received in the future
23 from the prior operation of the economic development program shall be
24 placed into the general fund of the city.

25 Sec. 3. Original sections 18-2708 and 18-2714, Reissue

1 Revised Statutes of Nebraska, are repealed.