

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 927**

Introduced by Pahls, 31.

Read first time January 10, 2022

Committee: Revenue

- 1 A BILL FOR AN ACT relating to the Convention Center Facility Financing
- 2 Assistance Act; to amend sections 13-2603 and 13-2604, Revised
- 3 Statutes Cumulative Supplement, 2020, and section 13-2610, Revised
- 4 Statutes Supplement, 2021; to define and redefine terms; to change
- 5 provisions relating to the use of state assistance; to change a
- 6 limitation on the total amount of state assistance allowed; to
- 7 harmonize provisions; and to repeal the original sections.
- 8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-2603, Revised Statutes Cumulative Supplement,  
2 2020, is amended to read:

3 13-2603 For purposes of the Convention Center Facility Financing  
4 Assistance Act:

5 (1) Associated hotel means any publicly or privately owned facility  
6 in which the public may, for a consideration, obtain sleeping  
7 accommodations and which is located, in whole or in part, within six  
8 hundred yards of an eligible facility, measured from any point of the  
9 exterior perimeter of the eligible facility but not from any parking  
10 facility or other structure;

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) Convention and meeting center facility means a temperature-  
22 controlled building and personal property primarily used as a convention  
23 and meeting center, including an auditorium, an exhibition hall, a  
24 facility for onsite food preparation and serving, an onsite, directly  
25 connected parking facility for the use of the convention and meeting  
26 center facility, a nearby parking facility for the use of the convention  
27 and meeting center facility, and an onsite administrative office of the  
28 convention and meeting center facility;

29 (5)(a) Eligible facility means any publicly owned convention and  
30 meeting center facility approved for state assistance on or before June  
31 1, 2007, any publicly owned sports arena facility attached to such

1 convention and meeting center facility, or any publicly or privately  
2 owned convention and meeting center facility or publicly or privately  
3 owned sports arena facility acquired, constructed, improved, or equipped  
4 after June 1, 2007; and

5 (b) Beginning with applications for financial assistance received on  
6 or after February 1, 2008, eligible facility does not include any  
7 publicly or privately owned sports arena facility with a seating capacity  
8 greater than sixteen thousand seats;

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

12 (7) Nearby parking facility means any parking lot, parking garage,  
13 or other parking structure that is not directly connected to a convention  
14 and meeting center facility but which is located, in whole or in part,  
15 within six hundred yards of a convention and meeting center facility,  
16 measured from any point of the exterior perimeter of such facility but  
17 not from any other parking facility or other structure;

18 (8) (7) Political subdivision means any local governmental body  
19 formed and organized under state law and any joint entity or joint public  
20 agency created under state law to act on behalf of political subdivisions  
21 which has statutory authority to issue general obligation bonds;

22 (9) (8) Revenue bond means any bond or refunding bond issued by a  
23 political subdivision which is limited or special rather than a general  
24 obligation bond of the political subdivision and which is not payable  
25 from the proceeds of an ad valorem tax; and

26 (10) (9) Sports arena facility means any enclosed temperature-  
27 controlled building primarily used for competitive sports, including  
28 arenas, dressing and locker facilities, concession areas, parking  
29 facilities, and onsite administrative offices connected with operating  
30 the facilities.

31 Sec. 2. Section 13-2604, Revised Statutes Cumulative Supplement,

1 2020, is amended to read:

2 13-2604 Any political subdivision that has acquired, constructed,  
3 improved, or equipped or has approved a general obligation bond issue to  
4 acquire, construct, improve, or equip eligible facilities may apply to  
5 the board for state assistance. The state assistance shall be used:

6 (1) To pay back amounts expended or borrowed through one or more  
7 issues of bonds to be expended by the political subdivision to acquire,  
8 construct, improve, and equip eligible facilities until repayment in full  
9 of the amounts expended or borrowed by the political subdivision,  
10 including the principal of and interest on bonds, for eligible  
11 facilities;~~and~~

12 (2) To pay for capital improvements to eligible facilities;and ~~and~~

13 (3) To acquire, construct, improve, and equip nearby parking  
14 facilities.

15 Sec. 3. Section 13-2610, Revised Statutes Supplement, 2021, is  
16 amended to read:

17 13-2610 (1) Upon the annual certification under section 13-2609, the  
18 State Treasurer shall transfer after the audit the amount certified to  
19 the Convention Center Support Fund. The Convention Center Support Fund is  
20 created. Transfers may be made from the fund to the General Fund at the  
21 direction of the Legislature. Any money in the Convention Center Support  
22 Fund available for investment shall be invested by the state investment  
23 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
24 State Funds Investment Act.

25 (2)(a) It is the intent of the Legislature to appropriate from the  
26 fund to any political subdivision for which an application for state  
27 assistance under the Convention Center Facility Financing Assistance Act  
28 has been approved an amount not to exceed (i) seventy percent of the  
29 state sales tax revenue collected by retailers and operators doing  
30 business at such facilities on sales at such facilities, state sales tax  
31 revenue collected on primary and secondary box office sales of admissions

1 to such facilities, and state sales tax revenue collected by associated  
2 hotels, (ii) one hundred fifty ~~seventy-five~~ million dollars for any one  
3 approved project, or (iii) the total cost of acquiring, constructing,  
4 improving, or equipping the eligible facility. State assistance shall not  
5 be used for an operating subsidy ~~or other ancillary facility~~.

6 (b) It is further the intent of the Legislature to appropriate from  
7 the fund to any city of the metropolitan class for which an application  
8 for state assistance under the Convention Center Facility Financing  
9 Assistance Act has been approved an amount not to exceed the amount of  
10 money transferred to the fund pursuant to subdivision (9)(a) of section  
11 13-3108.

12 (3)(a) Ten percent of the funds appropriated to a city of the  
13 metropolitan class under subdivision (2)(a) of this section and all of  
14 the funds appropriated to a city of the metropolitan class under  
15 subdivision (2)(b) of this section shall be equally distributed to areas  
16 with a high concentration of poverty to (i) showcase important historical  
17 aspects of such areas or areas within close geographic proximity of the  
18 area with a high concentration of poverty, (ii) assist with the reduction  
19 of street and gang violence in such areas, or (iii) assist with small  
20 business and entrepreneurship growth in such areas.

21 (b) Each area with a high concentration of poverty that has been  
22 distributed funds under subdivision (3)(a) of this section shall  
23 establish a development fund and form a committee which shall identify  
24 and research potential projects to be completed in the area with a high  
25 concentration of poverty or in an area within close geographic proximity  
26 of such area if the project would have a significant or demonstrable  
27 impact on such area and make final determinations on the use of the funds  
28 received for such projects.

29 (c) A committee formed under subdivision (3)(b) of this section  
30 shall include the following members:

31 (i) The member of the city council whose district includes a

1 majority of the census tracts which each contain a percentage of persons  
2 below the poverty line of greater than thirty percent, as determined by  
3 the most recent federal decennial census, within the area with a high  
4 concentration of poverty;

5 (ii) The commissioner of the county whose district includes a  
6 majority of the census tracts which each contain a percentage of persons  
7 below the poverty line of greater than thirty percent, as determined by  
8 the most recent federal decennial census, within the area with a high  
9 concentration of poverty;

10 (iii) Two residents of the area with a high concentration of  
11 poverty, appointed by the two members of the committee described in  
12 subdivisions (3)(c)(i) and (ii) of this section. Such resident members  
13 shall be appointed for four-year terms. Each time a resident member is to  
14 be appointed pursuant to this subdivision, the committee shall solicit  
15 applications from interested individuals by posting notice of the open  
16 position on the city's website and on the city's official social media  
17 accounts, if any, and by publishing the notice in a legal newspaper in or  
18 of general circulation in the area with a high concentration of poverty.  
19 Prior to making any appointment, the committee shall hold a public  
20 hearing in the area with a high concentration of poverty. Notice of the  
21 hearing shall be provided, at least seven days prior to the hearing, by  
22 posting the notice on the city's website and on the city's official  
23 social media accounts, if any, and by publishing the notice in a legal  
24 newspaper in or of general circulation in the area with a high  
25 concentration of poverty; and

26 (iv) The member of the Legislature whose district includes a  
27 majority of the census tracts which each contain a percentage of persons  
28 below the poverty line of greater than thirty percent, as determined by  
29 the most recent federal decennial census, within the area with a high  
30 concentration of poverty. The member described in this subdivision shall  
31 be a nonvoting member of the committee.

1 (d) A committee formed under subdivision (3)(b) of this section  
2 shall solicit project ideas from the public and shall hold a public  
3 hearing in the area with a high concentration of poverty. Notice of a  
4 proposed hearing shall be provided in accordance with the procedures for  
5 notice of a public hearing pursuant to section 18-2115.01. The committee  
6 shall research potential projects and make the final determination  
7 regarding the annual distribution of funding to such projects.

8 (e) On or before July 1, 2022, and on or before July 1 of each year  
9 thereafter, a committee formed under subdivision (3)(b) of this section  
10 shall electronically submit a report to the Legislature which includes:

11 (i) A description of the projects that were funded during the most  
12 recently completed calendar year;

13 (ii) A description of where such projects were located;

14 (iii) A description of the outcomes of such projects; and

15 (iv) A ten-year strategic plan on how the committee plans to meet  
16 the goals described in subdivision (3)(a) of this section.

17 (f) For purposes of this subsection, an area with a high  
18 concentration of poverty means an area within the corporate limits of a  
19 city of the metropolitan class consisting of one or more contiguous  
20 census tracts, as determined by the most recent federal decennial census,  
21 which contain a percentage of persons below the poverty line of greater  
22 than thirty percent, and all census tracts contiguous to such tract or  
23 tracts, as determined by the most recent federal decennial census.

24 (4)(a) Ten percent of the funds appropriated to a city of the  
25 primary class under subdivision (2)(a) of this section may, if the city  
26 determines by consent of the city council that such funds are not  
27 currently needed for the purposes described in section 13-2604, be used  
28 as follows:

29 (i) For investment in the construction of qualified low-income  
30 housing projects as defined in 26 U.S.C. 42, including qualified projects  
31 receiving Nebraska affordable housing tax credits under the Affordable

1 Housing Tax Credit Act; or

2 (ii) If there are no such qualified low-income housing projects as  
3 defined in 26 U.S.C. 42 being constructed or expected to be constructed  
4 within the political subdivision, for investment in areas with a high  
5 concentration of poverty to assist with low-income housing needs.

6 (b) For purposes of this subsection, an area with a high  
7 concentration of poverty means an area within the corporate limits of a  
8 city of the primary class consisting of one or more contiguous census  
9 tracts, as determined by the most recent American Community Survey 5-Year  
10 Estimate, which contain a percentage of persons below the poverty line of  
11 greater than thirty percent, and all census tracts contiguous to such  
12 tract or tracts, as determined by the most recent American Community  
13 Survey 5-Year Estimate.

14 (5) State assistance to the political subdivision shall no longer be  
15 available upon the retirement of the bonds issued to acquire, construct,  
16 improve, or equip the facility or any subsequent bonds that refunded the  
17 original issue or when state assistance reaches the amount determined  
18 under subdivision (2)(a) of this section, whichever comes first.

19 (6) The remaining thirty percent of state sales tax revenue  
20 collected by retailers and operators doing business at such facilities on  
21 sales at such facilities, state sales tax revenue collected on primary  
22 and secondary box office sales of admissions to such facilities, and  
23 state sales tax revenue collected by associated hotels, shall be  
24 appropriated by the Legislature to the Civic and Community Center  
25 Financing Fund. Upon the annual certification required pursuant to  
26 section 13-2609 and following the transfer to the Convention Center  
27 Support Fund required pursuant to subsection (1) of this section, the  
28 State Treasurer shall transfer an amount equal to the remaining thirty  
29 percent from the Convention Center Support Fund to the Civic and  
30 Community Center Financing Fund.

31 (7) Any municipality that has applied for and received a grant of



1 assistance under the Civic and Community Center Financing Act may not  
2 receive state assistance under the Convention Center Facility Financing  
3 Assistance Act.

4       Sec. 4. Original sections 13-2603 and 13-2604, Revised Statutes  
5 Cumulative Supplement, 2020, and section 13-2610, Revised Statutes  
6 Supplement, 2021, are repealed.