

FINANCE/LEISURE/LEGISLATIVE AGENDA

June 19, 2019 @ 12:00 p.m.

City Hall Council Chambers

1615 1st Avenue, South Sioux City, Nebraska

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Members: Bruce Davis, Lupe Gonzalez, Carol Schuldt, Jim Gunsolley.

A current copy of the Open Meetings Act is posted on the north wall in the rear of the Council Chambers and is available for review by all citizens in attendance. A sign-in sheet is available at the entrance to the Council Chambers. We ask your assistance by signing in as this is a Federal Grant requirement. It is strictly voluntary to complete the sign-in sheet.

The City of South Sioux City reserves the right to adjust the order of items on this agenda if necessary and may elect to take action on any of the items listed.

1. PUBLIC COMMENT PERIOD

- i. Every citizen speaking at the meeting shall begin his or her remarks by stating his or her name and postal address.
- ii. All citizens' remarks shall be directed to the Chairperson, who shall determine by whom any appropriate response shall be made.
- iii. Individuals wishing to address the Committee are asked to limit their comments to five minutes.

2. FINANCE – Chairman Bruce Davis

- a. **Utility Appeals.**
- b. **Treasurer's Report ending May 31, 2019.**
- c. **Employee Recognition.**
- d. **Audit Highlights.**

3. LEISURE – Chairman Jim Gunsolley

- a. **Dakota Leadership Project/Pool Improvements.**
- b. **Dakota Leadership Project/ Movie Wall Welcome Mural.**
- c. **Future Park Plans and Funding by Sioux City foundry(old tree farm).**





4. LEGISLATIVE – Chairwoman Carol Schuldt

- a. **Legislative Bills. [Hyperlink](#)**

5. MISCELLANEOUS AND UNFINISHED BUSINESS

- a. **2500 G. St. Central Air Conditioning Unit.** A Team is Quoting \$2400.00 for a off brand or \$2800.00 for a Carrier.
- b. **2500 G. St. Lease.**
- c. **School Lot for School Project.**
- d. **Budget Reviews – Fiber and Library.**


6. UPCOMING EVENTS

-  **Council Meetings – June 24, 2019 @ 5:00 p.m., City Hall.**
-  **Public Works Meetings – July 1 and 15, 2019 @ 5:00 p.m., City Hall.**
-  **Finance Meetings – June 26, 2019 @ 12:00 p.m., City Hall.**
-  **CDA Meetings – June 27, 2019 @ 11:00 a.m., City Hall.**

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Legislative Bills



Nebraska Economic Developers Association
2019 End-of-Session Legislative Report

SESSION OVERVIEW

The Legislature adjourned *sine die* on May 31, 2019, ending the scheduled 90-day session six legislative days early. During the session 739 bills were introduced, and 294 bills were passed. Unless otherwise noted in the chart below, new laws will become effective September 1, 2019.

Bills that were introduced but that were not acted upon remain available for consideration by the Legislature next session. There are approximately 60 bills advanced from committee and on General File that have not yet received any debate.

During the session, the Legislature passed a \$9.3 billion biennial budget. The budget package reflects a two-year average spending growth rate of 3 percent. The budget transfers \$51 million in each of the next two fiscal years to the Property Tax Credit Cash Fund, bringing the fund's total to \$272 million and results in a cash reserve balance of \$372 million.

Lawmakers deliberated intensely on property tax relief throughout the session, considering proposals to raise revenue through removal of sales tax exemptions and a sales tax increase to reduce property tax askings. No proposal had the required 33 votes to advance past a filibuster. Senators also considered a bill (LB720) to update the Nebraska Advantage Act with a modernized tax incentive structure focused on securing higher wage jobs, accelerating benefits, and simplifying the program. This bill was advanced to second-round debate before stalling, as some Senators would like to see significant property tax relief passed before advancing business tax incentives.

The second session of 106th Legislature will convene on January 8, 2020. There are 60 scheduled legislative days in the second year of the biennial session.

BILLS OF INTEREST

This year the Nebraska Economic Developers Association tracked 37 bills and took a position on 15 bills. Below are the bills that NEDA either supported or opposed. For a complete list of all bills of interest, [CLICK HERE](#).

Bills That Passed

* **LB160 (Quick)** Include early childhood infrastructure development and early childhood care and education programs under the Local Option Municipal Economic Development Act for certain cities and villages

- NEDA Position: Support
- Expands the Local Option Municipal Economic Development Act, which allows first- and second-class cities and villages to use local tax dollars for economic development projects through voter-approved grants and loans; LB160 adds early childhood development infrastructure to the law's scope.

* Support
O opposed

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LB284 (McCollister) Change sales and use tax provisions relating to out-of-state retailers and multivendor marketplace platforms

- NEDA Position: Support
- Effective April 1, 2019
- Requires Internet retailers without a physical presence in Nebraska to collect and remit state sales tax on purchases made by Nebraska residents .
- Includes an exception for small retailers with sales of \$100,000 or less or 200 or fewer annual transactions.

LB334 (Stinner) Change provisions relating to Nebraska planning and development regions, eliminate funding for the Angel Investment Tax Credit Act, provide intent for an appropriation to the Governor's Emergency Program, and increase funding and eliminate a termination date for the Business Innovation Act

- NEDA Position: Support
- Eliminates the Angel Investment Tax Credit, which was scheduled to terminate in 2022.
- In fiscal year 2020-21, the \$4 million annual cost savings will be directed to the governor's emergency program to assist those impacted by flooding; beginning in FY2021-22, funds will be directed to DED to fund programs under the Business Innovation Act.
- LB334 also includes provisions of LB452, sponsored by Senator Clements, which transfer Cass County from its current planning and development region to Region 8 and place a moratorium on future boundary changes until July 1, 2020.

Bills Held Over

LB272 (Morfeld) Adopt the Apprenticeship Training Program Tax Credit Act

- NEDA Position: Support
- Held in Revenue Committee
- Provides nonrefundable income tax credits for qualifying apprenticeship training programs, equal to \$1 per hour that the apprentice is expected to work during the year, limited to the lesser of \$2,000 or 50% of the apprentice's total expected wages, capped at \$2.5 million per year total.

LB310 (Vargas) Change procedures for tax credits under the Nebraska Job Creation and Mainstreet Revitalization Act

- NEDA Position: Support
- Bill remains on General File
- Changes tax credit procedures under the Nebraska Job Creation and Mainstreet Revitalization Act by requiring the Revenue Department to issue tax credits within 60 days after receiving notice of final approval of the project by the State Historic Preservation Officer.
- The committee amendment requires the credit recipient to pay a fee equal to 0.275% of the credit amount to the Revenue Department for the cost of processing applications.

LB393 (Groene) Increase the documentary stamp tax

- NEDA Position: Oppose
- Bill remains held in the Revenue Committee
- Increases the documentary stamp tax, imposed upon the transfer of real estate, from \$2.25 to \$3.25 for each \$1000 in value, with increased revenues directed to the Property Tax Credit Relief Fund.

LB413 (Brandt) Change application submission deadlines under the Nebraska Advantage Act

- NEDA Position: Oppose
- Bill remains held in the Revenue Committee
- Changes the sunset date of the Nebraska Advantage from Dec. 31, 2020 to Dec. 31, 2019.

LB417 (Friesen) Change application deadlines under certain tax incentive programs

- NEDA Position: Oppose
- Bill remains held in the Revenue Committee
- Moves the sunset for applications under the Nebraska Advantage Act and the Nebraska Advantage Rural Development Act to from Dec. 31, 2020, to Dec. 31, 2019.
- Moves the sunset for applications from Dec. 31, 2022, to the effective date of this act for the Nebraska Job Creation and Mainstreet Revitalization Act, New Markets Job Growth Investment

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Act, and Beginning Farmer Tax Credit.

- ✱ **LB424 (Quick) Change the Nebraska Municipal Land Bank Act**
- NEDA Position: Support
 - Bill remains on General File, cloture failed by a vote of 31-10
 - Allows cities to partner with an already existing land bank or create their own regional land bank.

- LB441 (McCollister) Change provisions relating to certain sales and use tax refund deductions and applicability to municipalities as prescribed**
- NEDA Position: Support
 - Bill remains held in the Revenue Committee
 - Requires the Department of Revenue to notify municipalities that are liable for a refund of over \$1,500 of the pending refund by March 1 of every year beginning in 2020; provides that this amount be used as the refund amount for the calendar year following the year of the notification.

- LB551 (McDonnell) State intent relating to funding for development districts**
- NEDA Position: Support
 - Bill remains held in the Appropriations Committee
 - Increases the annual appropriation for development districts from \$470,000 to \$1 million.

- LB605 (Lindstrom) Adopt the Renewable Chemical Production Tax Credit Act**
- NEDA Position: Support
 - Bill remains held in the Revenue Committee and included in LB720 (on Select File)
 - Incentivizes renewable-chemical production based on weight (\$0.075 per pound produced), capping the amount of credits that can be received by an applicant at \$1.5 million per year starting in year 2021.

- ✱ **LB667 (Vargas) Adopt the Youth Opportunities in Learning and Occupations Act**
- NEDA Position: Support
 - Bill remains held in the Business and Labor Committee
 - Allows employers seeking to secure training for young people for demand occupations and nonprofit corporations that provide young people with career readiness training to apply to the Labor Commission for grants; expresses intent to appropriate \$20 million from the General Fund for FY2019-20 to carry out the program.

- ✱ **LB720 (Kolterman) Adopt the Imagine Nebraska Act, Renewable Chemical Production Tax Credit Act, Customized Job Training Act, and Community Economic Opportunities Act and provide tax incentives**
- NEDA Position: Support
 - Bill remains on Select File
 - Replaces the Nebraska Advantage Act with a new program intended to secure higher wage jobs, accelerate benefits, and simplify the program.

INTERIM

The following list of interim study resolutions, which provide an opportunity for Senators to examine an issue outside of session, are those flagged as being of possible interest to NEDA. What happens with these studies is highly dependent upon the interest level of the introducer, committee, and stakeholders involved. Some resolutions may get absolutely no attention or action, while others may prompt formal committee hearings, round tables discussions, and/or written reports.

- **LR126 (Hunt)** Interim study to examine issues related to urban development in municipalities
- **LR130 (Wayne)** Interim study to examine issues related to density bonuses and other non-monetary regulatory incentives in municipal zoning ordinances
- **LR161 (Revenue)** Interim study to examine policy issues revealed during a performance audit of the Nebraska Advantage Microenterprise Tax Credit Act
- **LR192 (Bolz)** Interim study to examine workforce development initiatives with emphasis on hearing the perspectives of employees across industries
- **LR202 (McCollister)** Interim study to examine the use and administration of the Nebraska housing tax credit
- **LR210 (Stinner)** Interim study to analyze programs and agencies that are active in addressing workforce and talent shortages and identify options to assist in filling vacant high-wage, high-

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End Legislative Bills