

LB 768



- Redefine Economic Development Program to Include Early Childhood Infrastructure Development -

*Introduced by Senator Dan Quick, 2018
Co-Sponsored by Senators Crawford, Hansen,
Kolowski, McCollister, Stinner, Wayne & Williams*

History of the Local Option Municipal Economic Development Act

In 1991, the Legislature passed the Local Option Municipal Economic Development Act (LB840), which authorizes incorporated cities and villages to collect and appropriate local tax dollars for economic development purposes. Since then, 68 Nebraska communities have made use of this economic incentive.

Communities Currently Able to Offer Loans, Grants and Other Activities with LB840 Funds¹

| | | | | | |
|-------------|--------------|--------------|---------------|------------------|------------|
| Ainsworth | Burwell | Falls City | Lexington | Oshkosh | Stromsburg |
| Albion | Cambridge | Fremont | Louisville | Plainview | Superior |
| Alliance | Central City | Fullerton | Loup City | Plattsmouth | Sutton |
| Arapahoe | Chadron | Geneva | McCook | Ravenna | Tecumseh |
| Arnold | Clearwater | Gering | Milford | Sargent | Valentine |
| Atkinson | Columbus | Gothenberg | Mitchell | Scribner | Wakefield |
| Bayard | Cozad | Grand Island | Nebraska City | Schuyler | Wayne |
| Beatrice | Crete | Hartington | Neligh | Scottsbluff | West Point |
| Beaver City | Crofton | Holdrege | Norfolk | Seward | |
| Beemer | Curtis | Imperial | North Platte | Sidney | |
| Bellevue | Doniphan | Kimball | O'Neill | South Sioux City | |
| Blair | Fairbury | La Vista | Ord | St. Paul | |

Eligible Activities

Communities may use these funds for different eligible activities, including but not limited to: direct loans or grants to qualifying businesses for fixed assets or working capital or both; grants or loans for job training; the purchase of real estate, options for such purchases, and renewals or extensions; and, grants or loans to businesses to provide relocation incentives for new residents.

LB768

LB768 would expand the use of these funds to include early childhood infrastructure development of quality early childhood programs to address early childhood education shortages that impair the ability of a city or village to attract new businesses or that impair the ability of existing businesses to recruit new employees. Quality means meeting or exceeding a step three quality rating based on quality rating criteria under the Step Up to Quality Child Care Act.² The intent of LB768 is to allow local control to direct LB840 funds in new and innovative ways to help ensure the future well-being of children and communities.

¹ Nebraska Department of Economic Development, Local Option Municipal Economic Development (LB840), <https://opportunity.nebraska.gov/program/lb-840/#1491492205223-bfc069b3-f4e1>

² Step Up to Quality Child Care Act, LB507 (2013) <https://nebraskalegislature.gov/FloorDocs/103/PDF/Slip/LB507.pdf>