

LB 160

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

Introduced by Senator Dan Quick

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. Sixty-eight Nebraska communities have made use of this economic incentive.

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

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

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.

LB160

LB160 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 LB160 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>