



MEMO: Amendment to Memo 24-01¹
DATE: October 17, 2024
PROGRAMS: Community Development Assistance Act and Creating High Impact Economic Futures Act
SUBJECT: LB1344

This guidance document is advisory in nature but is binding on the Department of Economic Development (DED) until amended. A guidance document does not include internal procedural documents that only affect the internal operations of DED and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

ISSUES:

- I. What impact will LB1344 (2024) have on the Community Development Assistance Act (“CDAA”)?
- II. What is the Creating High Impact Economic Futures Act (“CHIEF Act”)?

CONCLUSIONS:

- I. LB1344 (2024) replaces the CDAA with the CHIEF Act. As such, the Nebraska Department of Economic Development (“DED” or “Department”) will not approve any new applications under the CDAA for the 2024-2025 fiscal year or beyond. Projects or programs currently certified for tax credit status under an active CDAA contract with DED will be able to use any remaining credits until the applicable contract period expires. The Department will continue to review and process the FORM CDAA-1 submitted by contributors to certified projects or programs with an active CDAA contract.
- II. The CHIEF Act is codified in Neb. Rev. Stat. §§ 77-3113 to 77-3120. The Department will issue comprehensive guidelines regarding the CHIEF Act. The CHIEF Act goes into effect on January 1, 2025. Beginning on December 2, 2024, the Department plans to begin accepting applications to have projects or programs certified for tax credit status under the CHIEF Act. DED can award up to nine hundred thousand dollars (\$900,000.00) in tax credits per year for calendar years 2025 and 2026 with a total of

¹ This guidance memorandum remains effective until it is amended, superseded, or rescinded.

three hundred thousand dollars (\$300,000.00) allocated for each congressional district.² DED can award up to three million dollars (\$3,000,000.00) in tax credits per year beginning in 2027 with a total of one million dollars (\$1,000,000.00) allocated for each congressional district. The maximum amount of credits per project or program certified for tax credit status shall not exceed one hundred fifty thousand dollars (\$150,000.00) per year for projects or programs located in the first or third congressional district. There is no such limit for projects or programs certified for tax credit status that are located in the second congressional district.

END OF GUIDANCE MEMORANDUM

² Memo 24-01, dated July 3, 2024, inaccurately stated \$900,000.00 in tax credits per year for calendar years 2026 and 2027. This Amendment to Memo 24-01 clarifies \$900,000.00 in tax credits per year are available for calendar years 2025 and 2026.