

LEGISLATURE OF NEBRASKA  
ONE HUNDRED SEVENTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 724**

Introduced by Hansen, M., 26.

Read first time January 05, 2022

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to the Local Option Municipal Economic  
2 Development Act; to amend section 18-2705, Revised Statutes  
3 Supplement, 2021; to provide certain funding for the development and  
4 implementation of an affordable housing action plan as part of an  
5 economic development program; to harmonize provisions; and to repeal  
6 the original section.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2705, Revised Statutes Supplement, 2021, is  
2 amended to read:

3 18-2705 (1) Economic development program means any project or  
4 program utilizing funds derived from local sources of revenue for the  
5 purpose of providing direct or indirect financial assistance to a  
6 qualifying business or the payment of related costs and expenses or both,  
7 without regard to whether that business is identified at the time the  
8 project or program is initiated or is to be determined by specified means  
9 at some time in the future.

10 (2) An economic development program may include, but shall not be  
11 limited to, ~~the following activities:~~ (a) Direct loans or grants to  
12 qualifying businesses for fixed assets or working capital or both, (b) ÷  
13 loan guarantees for qualifying businesses, (c) ÷ grants for public works  
14 improvements which are essential to the location or expansion of, or the  
15 provision of new services by, a qualifying business, (d) ÷ grants or  
16 loans to qualifying businesses for job training, (e) ÷ the purchase of  
17 real estate, options for such purchases, and the renewal or extension of  
18 such options, (f) ÷ grants or loans to qualifying businesses to provide  
19 relocation incentives for new residents, (g) ÷ the issuance of bonds as  
20 provided for in the Local Option Municipal Economic Development Act, ÷  
21 and (h) payments for salaries and support of city staff to implement the  
22 economic development program or develop an affordable housing action  
23 plan, including any such plan required under section 19-5505, or payments  
24 for the contracting of such program implementation or plan development  
25 to  
26 an outside entity.

26 (3) For cities of the first class, cities of the second class, and  
27 villages, an economic development program may also include grants, loans,  
28 or funds for:

29 (a) Construction Grants or loans for the construction or  
30 rehabilitation for sale or lease of housing (i) for persons of low or  
31 moderate income, (ii) as part of a workforce housing plan, or (iii) as

1 part of an affordable housing action plan, including any such plan  
2 required under section 19-5505;

3 (b) Rural Grants, loans, or funds for rural infrastructure  
4 development as defined in section 66-2102; or

5 (c) Grants or loans for the construction or rehabilitation for sale  
6 or lease of housing as part of a workforce housing plan; or

7 (c) Early (d) Grants, loans, or funds for early childhood  
8 infrastructure development.

9 (4) An economic development program may be conducted jointly by two  
10 or more cities after the approval of the program by the voters of each  
11 participating city.

12 Sec. 2. Original section 18-2705, Revised Statutes Supplement,  
13 2021, is repealed.