

AMENDMENTS TO LB531
(Amendments to AM1222)

Introduced by McKinney, 11.

1 1. Strike amendment 1 and insert the following new amendment:

2 1. Strike the original sections and insert the following new
3 sections:

4 Section 1. (1) There is hereby established the Revitalize Rural
5 Nebraska Grant Program. The governing body of a city of the first class,
6 a city of the second class, or a village may apply, on behalf of the city
7 or village, to the Department of Environment and Energy for approval of a
8 dilapidated commercial property demolition grant. The Director of
9 Environment and Energy shall prescribe the form and manner of
10 application.

11 (2) The department shall award the grants annually on a competitive
12 basis beginning in fiscal year 2023-24 subject to available funds. The
13 department shall give priority to applications from cities of the second
14 class and villages. If there are funds remaining at the end of each grant
15 period, the department shall consider applications from cities of the
16 first class. A city or village may apply for more than one grant. The
17 department shall give preference to new applicants.

18 (3) There shall be no limit on the amount that can be awarded to
19 each applicant within the available funding. It is the intent of the
20 Legislature that if the department does not award all of the available
21 appropriation for grants under the program, the unobligated amount of the
22 appropriation shall be reappropriated for the next fiscal year to be
23 awarded during the next grant period.

24 Sec. 2. The Department of Environment and Energy shall award a
25 grant to a city or village under the Revitalize Rural Nebraska Grant
26 Program based on a completed application that demonstrates:

1 (1) A dilapidated commercial property within the corporate limits of
2 the city or village is in need of demolition;

3 (2) The city or village owns the property or is completing the
4 process prescribed in section 18-1722;

5 (3) The property has been abandoned or vacant for at least six
6 months prior to application;

7 (4) The property is not listed, or eligible to be listed, on the
8 National Register of Historic Places; and

9 (5) The city or village is able to contribute matching funds,
10 whether in cash or in-kind donations, in the amount of ten percent for a
11 village, fifteen percent for a city of the second class, and twenty
12 percent for a city of the first class.

13 Sec. 3. If a city or village fails to engage in the demolition of
14 the commercial property identified in the application for a grant under
15 the Revitalize Rural Nebraska Grant Program within twenty-four months
16 after receiving the grant, the city or village shall return the grant to
17 the Department of Environment and Energy. The department shall remit such
18 grant money to the State Treasurer for credit to the Revitalize Rural
19 Nebraska Fund.

20 Sec. 4. The Revitalize Rural Nebraska Fund is created. The
21 Department of Environment and Energy shall use the fund for the
22 Revitalize Rural Nebraska Grant Program. The fund shall include transfers
23 as directed by the Legislature, money from grants returned under section
24 3 of this act, and money from private contributions and other sources
25 provided for purposes of the program. Any money in the Revitalize Rural
26 Nebraska Fund available for investment shall be invested by the state
27 investment officer pursuant to the Nebraska Capital Expansion Act and the
28 Nebraska State Funds Investment Act. Any interest earned on the fund
29 shall be used for the program.

30 Sec. 5. Section 16-312, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 16-312 (1) The mayor of a city of the first class shall preside at
2 all the meetings of the city council. The mayor may vote on any matter
3 that requires either a majority vote of the city council members or a
4 majority vote of all the elected members of the city council if (a) the
5 mayor's vote is required due to the city council members being equally
6 divided or (b) a majority of the city council members or majority vote of
7 all the elected members cannot be reached due to absence, vacancy, or
8 abstention of one or more city council members. For purposes of such
9 vote, the mayor is deemed to be a member of the city council.

10 ~~(2) The mayor and shall have the right to vote when his or her vote~~
11 ~~will provide the additional vote required to create a number of votes~~
12 ~~equal to a majority of the number of members elected to the city council.~~
13 ~~He or she shall have the superintending control of all the officers and~~
14 ~~affairs of the city and shall take care that the ordinances of the city~~
15 ~~and the provisions of law relating to cities of the first class are~~
16 ~~complied with. The mayor He or she may administer oaths and shall sign~~
17 ~~the commissions and appointments of all the officers appointed in the~~
18 ~~city.~~

19 Sec. 6. Section 16-404, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 16-404 (1) All ordinances and resolutions or orders for the
22 appropriation or payment of money in a city of the first class shall
23 require for their passage or adoption the concurrence of a majority of
24 all elected members of elected to the city council. The mayor may vote on
25 any such matter if (a) the mayor's vote is required due to the city
26 council members being equally divided or (b) a majority vote of all the
27 elected members cannot be reached due to absence, vacancy, or abstention
28 of one or more city council members. For purposes of such vote, the mayor
29 is deemed to be a member of the city council ~~when his or her vote will~~
30 ~~provide the additional vote required to create a number of votes equal to~~
31 ~~a majority of the number of members elected to the city council, and the~~

1 ~~mayor shall, for the purpose of such vote, be deemed to be a member of~~
2 ~~the city council.~~

3 (2)(a) Ordinances of a general or permanent nature in a city of the
4 first class shall be read by title on three different days unless three-
5 fourths of the city council members vote to suspend this requirement,
6 except that in a city having a commission plan of government such
7 requirement may be suspended by a three-fifths majority vote.

8 (b) Regardless of the form of government, such requirement shall not
9 be suspended (i) for any ordinance for the annexation of territory or the
10 redrawing of boundaries for city council election districts or wards
11 ~~except as otherwise provided in subsection (4) of this section~~ or (ii) as
12 otherwise provided by law.

13 (c) In case such requirement is suspended, the ordinances shall be
14 read by title or number and then moved for final passage.

15 (d) Three-fourths of the city council members may require a reading
16 of any such ordinance in full before enactment under either procedure set
17 out in this section, except that in a city having a commission plan of
18 government, such reading may be required by a three-fifths majority vote.

19 (3) Ordinances in a city of the first class shall contain no subject
20 which is not clearly expressed in the title, and, except as provided in
21 section 19-915, no ordinance or section thereof shall be revised or
22 amended unless the new ordinance contains the entire ordinance or section
23 as revised or amended and the ordinance or section so amended is
24 repealed, except that:

25 (a) For an ordinance revising all the ordinances of a city of the
26 first class, the only title necessary shall be An ordinance of the city
27 of, revising all the ordinances of the city. Under such title
28 all the ordinances may be revised in sections and chapters or otherwise,
29 may be corrected, added to, and any part suppressed, and may be repealed
30 with or without a saving clause as to the whole or any part without other
31 title; and

1 (b) For an ordinance used solely to revise ordinances or code
2 sections or to enact new ordinances or code sections in order to adopt
3 statutory changes made by the Legislature which are specific and
4 mandatory and bring the ordinances or code sections into conformance with
5 state law, the title need only state that the ordinance revises those
6 ordinances or code sections affected by or enacts ordinances or code
7 sections generated by legislative changes. Under such title, all such
8 ordinances or code sections may be revised, repealed, or enacted in
9 sections and chapters or otherwise by a single ordinance without other
10 title.

11 ~~(4) Following the release of the 2020 Census of Population data by~~
12 ~~the United States Department of Commerce, Bureau of the Census, as~~
13 ~~required by Public Law 94-171, the city council of any city of the first~~
14 ~~class requesting the adjustment of the boundaries of election districts~~
15 ~~shall provide to the election commissioner or county clerk (a) written~~
16 ~~notice of the need and necessity of his or her office to perform such~~
17 ~~adjustments and (b) a revised election district boundary map that has~~
18 ~~been approved by the requesting city council and subjected to all public~~
19 ~~review and challenge ordinances of the city by December 30, 2021. The~~
20 ~~revised election district boundary map shall be adopted by ordinance.~~
21 ~~Such ordinance shall be read by title on three different days unless~~
22 ~~three-fourths of the city council members vote to suspend this~~
23 ~~requirement.~~

24 Sec. 7. Section 16-503, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 16-503 On the passage or adoption of every resolution or order to
27 enter into a contract, or accepting of work done under contract, by the
28 mayor or city council of a city of the first class, the yeas and nays
29 shall be called and entered upon the record. To pass or adopt any bylaw
30 or ordinance or any such resolution or order, a concurrence of a majority
31 of all elected ~~the whole number of the members of~~ elected ~~to~~ the city

1 council shall be required. The mayor may vote on any such matter if (1)
2 the mayor's vote is required due to the city council members being
3 equally divided or (2) a majority vote of all the elected members of the
4 city council cannot be reached due to absence, vacancy, or abstention of
5 one or more city council members. For purposes of such vote, the mayor is
6 deemed to be a member of the city council ~~when his or her vote will~~
7 ~~provide the additional vote required to create a number of votes equal to~~
8 ~~a majority of the number of members elected to the city council, and the~~
9 ~~mayor shall, for the purpose of such vote, be deemed to be a member of~~
10 ~~the city council.~~ The requirements of a roll call or viva voce vote shall
11 be satisfied by a city which utilizes an electronic voting device which
12 allows the yeas and nays of each city council member to be readily seen
13 by the public.

14 Sec. 8. Section 17-110, Reissue Revised Statutes of Nebraska, is
15 amended to read:

16 17-110 (1) The mayor shall preside at all meetings of the city
17 council of a city of the second class. The mayor may vote on any matter
18 that requires either a majority vote of the city council or a majority
19 vote of all the elected members of the city council if (a) the mayor's
20 vote is required due to the city council members being equally divided or
21 (b) a majority of the city council members or majority vote of all the
22 elected members cannot be reached due to absence, vacancy, or abstention
23 of one or more city council members. For purposes of such vote, the mayor
24 is deemed to be a member of the city council.

25 (2) ~~The mayor when his or her vote would provide the additional vote~~
26 ~~required to attain the number of votes equal to a majority of the number~~
27 ~~of members elected to the city council on any pending matter,~~
28 ~~legislation, or transaction, and the mayor shall, for the purpose of such~~
29 ~~vote, be deemed to be a member of the city council. He or she shall have~~
30 superintendence and control of all the officers and affairs of the city
31 and shall take care that the ordinances of the city and all laws

1 governing cities of the second class are complied with.

2 Sec. 9. Section 17-614, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 17-614 (1)(a) All ordinances and resolutions or orders for the
5 appropriation or payment of money shall require for their passage or
6 adoption the concurrence of a majority of all elected members of ~~of~~ elected
7 ~~to~~ the city council in a city of the second class or village board of
8 trustees. The mayor of a city of the second class may vote on any such
9 matter if (i) the mayor's vote is required due to the city council
10 members being equally divided or (ii) a majority vote of all the elected
11 members of the city council cannot be reached due to absence, vacancy, or
12 abstention of one or more city council members. For purposes of such
13 vote, the mayor is deemed to be a member of the city council ~~when his or~~
14 ~~her vote would provide the additional vote required to attain the number~~
15 ~~of votes equal to a majority of the number of members elected to the city~~
16 ~~council, and the mayor shall, for the purpose of such vote, be deemed to~~
17 ~~be a member of the city council.~~

18 (b) Ordinances of a general or permanent nature shall be read by
19 title on three different days unless three-fourths of the city council or
20 village board of trustees vote to suspend this requirement. Such
21 requirement shall not be suspended (i) for any ordinance for the
22 annexation of territory or the redrawing of boundaries for city council
23 or village board of trustees election districts or wards ~~except as~~
24 ~~otherwise provided in subsection (3) of this section~~ or (ii) as otherwise
25 provided by law.

26 (c) In case such requirement is suspended, the ordinances shall be
27 read by title and then moved for final passage.

28 (d) Three-fourths of the city council or village board of trustees
29 may require a reading of any such ordinance in full before enactment
30 under either procedure set out in this section.

31 (2) Ordinances shall contain no subject which is not clearly

1 expressed in the title, and, except as provided in section 19-915, no
2 ordinance or section of such ordinance shall be revised or amended unless
3 the new ordinance contains the entire ordinance or section as revised or
4 amended and the ordinance or section so amended is repealed, except that:

5 (a) For an ordinance revising all the ordinances of the city of the
6 second class or village, the title need only state that the ordinance
7 revises all the ordinances of the city or village. Under such title all
8 the ordinances may be revised in sections and chapters or otherwise, may
9 be corrected, added to, and any part suppressed, and may be repealed with
10 or without a saving clause as to the whole or any part without other
11 title; and

12 (b) For an ordinance used solely to revise ordinances or code
13 sections or to enact new ordinances or code sections in order to adopt
14 statutory changes made by the Legislature which are specific and
15 mandatory and bring the ordinances or code sections into conformance with
16 state law, the title need only state that the ordinance revises those
17 ordinances or code sections affected by or enacts ordinances or code
18 sections generated by legislative changes. Under such title, all such
19 ordinances or code sections may be revised, repealed, or enacted in
20 sections and chapters or otherwise by a single ordinance without other
21 title.

22 ~~(3) Following the release of the 2020 Census of Population data by~~
23 ~~the United States Department of Commerce, Bureau of the Census, as~~
24 ~~required by Public Law 94-171, the city council of any city of the second~~
25 ~~class or village board of trustees requesting the adjustment of the~~
26 ~~boundaries of election districts shall provide to the election~~
27 ~~commissioner or county clerk (a) written notice of the need and necessity~~
28 ~~of his or her office to perform such adjustments and (b) a revised~~
29 ~~election district boundary map that has been approved by the requesting~~
30 ~~city council or village board of trustees and subjected to all public~~
31 ~~review and challenge ordinances of the city or village by December 30,~~

1 ~~2021. The revised election district boundary map shall be adopted by~~
2 ~~ordinance. Such ordinance shall be read by title on three different days~~
3 ~~unless three-fourths of the members of the city council or village board~~
4 ~~of trustees vote to suspend this requirement.~~

5 Sec. 10. Section 18-2101, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 18-2101 Sections 18-2101 to 18-2155 and sections 18 and 19 of this
8 act shall be known and may be cited as the Community Development Law.

9 Sec. 11. Section 18-2101.02, Reissue Revised Statutes of Nebraska,
10 is amended to read:

11 18-2101.02 (1) For any city that (a) intends to carry out a
12 redevelopment project which will involve the construction of workforce
13 housing in an extremely blighted area as authorized under subdivision
14 (28)(g) of section 18-2103, (b) intends to prepare a redevelopment plan
15 that will divide ad valorem taxes for a period of more than fifteen years
16 but not more than twenty years as provided in subdivision ~~(4)(a)~~ ~~(3)(a)~~
17 of section 18-2147, (c) intends to declare an area as an extremely
18 blighted area for purposes of funding decisions under subdivision (1)(b)
19 of section 58-708, or (d) intends to declare an area as an extremely
20 blighted area in order for individuals purchasing residences in such area
21 to qualify for the income tax credit authorized in subsection (7) of
22 section 77-2715.07, the governing body of such city shall first declare,
23 by resolution adopted after the public hearings required under this
24 section, such area to be an extremely blighted area.

25 (2) Prior to making such declaration, the governing body of the city
26 shall conduct or cause to be conducted a study or an analysis on whether
27 the area is extremely blighted and shall submit the question of whether
28 such area is extremely blighted to the planning commission or board of
29 the city for its review and recommendation. The planning commission or
30 board shall hold a public hearing on the question after giving notice of
31 the hearing as provided in section 18-2115.01. The planning commission or

1 board shall submit its written recommendations to the governing body of
2 the city within thirty days after the public hearing.

3 (3) Upon receipt of the recommendations of the planning commission
4 or board, or if no recommendations are received within thirty days after
5 the public hearing required under subsection (2) of this section, the
6 governing body shall hold a public hearing on the question of whether the
7 area is extremely blighted after giving notice of the hearing as provided
8 in section 18-2115.01. At the public hearing, all interested parties
9 shall be afforded a reasonable opportunity to express their views
10 respecting the proposed declaration. After such hearing, the governing
11 body of the city may make its declaration.

12 (4) Copies of each study or analysis conducted pursuant to
13 subsection (2) of this section shall be posted on the city's public
14 website or made available for public inspection at a location designated
15 by the city.

16 (5) The study or analysis required under subsection (2) of this
17 section may be conducted in conjunction with the study or analysis
18 required under section 18-2109. The hearings required under this section
19 may be held in conjunction with the hearings required under section
20 18-2109.

21 (6) Notwithstanding any other provisions of the Community
22 Development Law, the designation of an area as an extremely blighted area
23 pursuant to this section shall be valid for a period of no less than
24 twenty-five years from the effective date of the resolution declaring
25 such area to be an extremely blighted area, except that such designation
26 may be removed prior to the end of such period pursuant to section 18 of
27 this act.

28 Sec. 12. Section 18-2105, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 18-2105 (1) The governing body of a city or an authority at its
31 direction for the purposes of the Community Development Law may formulate

1 for the city ~~entire municipality~~ a workable program for utilizing
2 appropriate private and public resources to eliminate or prevent the
3 development or spread of urban blight, to encourage needed urban
4 rehabilitation, to provide for the redevelopment of substandard and
5 blighted areas, or to undertake any or all of such ~~of the aforesaid~~
6 activities or other feasible ~~municipal~~ activities as may be suitably
7 employed to achieve the objectives of such workable program. Such
8 workable program may include, without limitation, provision for (a) the
9 prevention of the spread of blight into areas of the city ~~municipality~~
10 which are free from blight through diligent enforcement of housing,
11 zoning, and occupancy controls and standards; (b) the rehabilitation or
12 conservation of substandard and blighted areas or portions of such areas
13 ~~thereof~~ by replanning, removing congestion, and providing parks,
14 playgrounds, and other public improvements by encouraging voluntary
15 rehabilitation and by compelling the repair and rehabilitation of
16 deteriorated or deteriorating structures; and (c) the clearance and
17 redevelopment of substandard and blighted areas or portions of such areas
18 ~~thereof~~.

19 (2) As part of a workable program formulated under subsection (1) of
20 this section, the governing body of a city or an authority may develop
21 guidelines for the consideration or approval of redevelopment projects
22 that are financed in whole or in part through the division of taxes as
23 provided in section 18-2147. Such guidelines may establish general goals
24 and priorities for the use of funds from such division of taxes or
25 limitations or restrictions on the use of funds from such division of
26 taxes within such city.

27 (3) Notwithstanding any other provisions of the Community
28 Development Law, where the local governing body certifies that an area is
29 in need of redevelopment or rehabilitation as a result of flood, fire,
30 hurricane, earthquake, storm, or other catastrophe respecting which the
31 Governor of the state has certified the need for disaster assistance

1 under federal law, the local governing body may approve a redevelopment
2 plan and a redevelopment project with respect to such area without regard
3 to the provisions of the Community Development Law requiring a general
4 plan for the city municipality and notice and public hearing or findings
5 other than as provided in this section ~~herein set forth~~.

6 Sec. 13. Section 18-2109, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 18-2109 (1) A redevelopment plan for a redevelopment project area
9 shall not be prepared and the governing body of the city in which such
10 area is located shall not approve a redevelopment plan unless the
11 governing body has, by resolution adopted after the public hearings
12 required under this section, declared such area to be a substandard and
13 blighted area in need of redevelopment.

14 (2) Prior to making such declaration, the governing body of the city
15 shall conduct or cause to be conducted a study or an analysis on whether
16 the area is substandard and blighted and shall submit the question of
17 whether such area is substandard and blighted to the planning commission
18 or board of the city for its review and recommendation. The planning
19 commission or board shall hold a public hearing on the question after
20 giving notice of the hearing as provided in section 18-2115.01. The
21 planning commission or board shall submit its written recommendations to
22 the governing body of the city within thirty days after the public
23 hearing.

24 (3) Upon receipt of the recommendations of the planning commission
25 or board, or if no recommendations are received within thirty days after
26 the public hearing required under subsection (2) of this section, the
27 governing body shall hold a public hearing on the question of whether the
28 area is substandard and blighted after giving notice of the hearing as
29 provided in section 18-2115.01. At the public hearing, all interested
30 parties shall be afforded a reasonable opportunity to express their views
31 respecting the proposed declaration. After such hearing, the governing

1 body of the city may adopt a resolution declaring that substandard and
2 blighted conditions exist in the area under study. After the governing
3 body has declared that substandard and blighted conditions exist in the
4 area under study, the governing body may, by one or more resolutions,
5 declare such area or any portion of such area to be a substandard and
6 blighted area without further public hearing.

7 (4) Copies of each substandard and blighted study or analysis
8 conducted pursuant to subsection (2) of this section shall be posted on
9 the city's public website or made available for public inspection at a
10 location designated by the city.

11 Sec. 14. Section 18-2117.01, Reissue Revised Statutes of Nebraska,
12 is amended to read:

13 18-2117.01 (1)(a) On or before December 1 each year, each city which
14 has approved one or more redevelopment plans which are financed in whole
15 or in part through the division of taxes as provided in section 18-2147
16 shall provide a report to the Property Tax Administrator on each such
17 redevelopment plan which includes the following information:

18 (i) A copy of the redevelopment plan and any amendments thereto,
19 including the date upon which the redevelopment plan was approved, the
20 effective date for dividing the ad valorem tax as provided to the county
21 assessor pursuant to subsection (6) ~~(5)~~ of section 18-2147, and the
22 location and boundaries of the property in the redevelopment project; and

23 (ii) A short narrative description of the type of development
24 undertaken by the city or village with the financing and the type of
25 business or commercial activity locating within the redevelopment project
26 area as a result of the redevelopment project.

27 (b) If a city has approved one or more redevelopment plans using an
28 expedited review under section 18-2155, the city may file a single report
29 under this subsection for all such redevelopment plans.

30 (2) The report required under subsection (1) of this section must be
31 filed each year, regardless of whether the information in the report has

1 changed, except that a city is not required to refile a copy of the
2 redevelopment plan or an amendment thereto if such copy or amendment has
3 previously been filed.

4 (3) The Property Tax Administrator shall compile a report for each
5 active redevelopment project, based upon information provided by the
6 cities pursuant to subsection (1) of this section and information
7 reported by the county assessor or county clerk on the certificate of
8 taxes levied pursuant to section 77-1613.01. Each report shall be
9 electronically transmitted to the Clerk of the Legislature not later than
10 March 1 each year. The report may include any recommendations of the
11 Property Tax Administrator as to what other information should be
12 included in the report from the cities so as to facilitate analysis of
13 the uses, purposes, and effectiveness of tax-increment financing and the
14 process for its implementation or to streamline the reporting process
15 provided for in this section to eliminate unnecessary paperwork.

16 Sec. 15. Section 18-2117.02, Reissue Revised Statutes of Nebraska,
17 is amended to read:

18 18-2117.02 On or before May 1 of each year, each authority, or such
19 other division or department of the city as designated by the governing
20 body, shall compile information regarding the approval and progress of
21 redevelopment projects that are financed in whole or in part through the
22 division of taxes as provided in section 18-2147 and report such
23 information to the governing body of the city and to the governing body
24 of each county, school district, community college area, educational
25 service unit, and natural resources district whose property taxes are
26 affected by such division of taxes. The report shall include, but not be
27 limited to, the following information:

28 (1) The total number of active redevelopment projects within the
29 city that have been financed in whole or in part through the division of
30 taxes as provided in section 18-2147;

31 (2) The total estimated project costs for all such redevelopment

1 projects;

2 (3) The estimated amount of outstanding indebtedness related to each
3 such redevelopment project and an estimated date by which such
4 indebtedness is expected to be paid in full;

5 (4) (3) A comparison between the initial projected valuation of
6 property included in each such redevelopment project as described in the
7 redevelopment contract or, for redevelopment projects approved using an
8 expedited review under section 18-2155, in the redevelopment plan and the
9 assessed value of the property included in each such redevelopment
10 project as of January 1 of the year of the report;

11 (5) (4) The number of such redevelopment projects approved by the
12 governing body in the previous calendar year;

13 (6) (5) Information specific to each such redevelopment project
14 approved by the governing body in the previous calendar year, including
15 the project area, project type, amount of financing approved, and total
16 estimated project costs;

17 (7) (6) The number of redevelopment projects for which financing has
18 been paid in full during the previous calendar year and for which taxes
19 are no longer being divided pursuant to section 18-2147; and

20 (8) (7) The percentage of the city that has been designated as
21 blighted.

22 Sec. 16. Section 18-2142.05, Reissue Revised Statutes of Nebraska,
23 is amended to read:

24 18-2142.05 Prior to approving a redevelopment project that expressly
25 carries out the construction of workforce housing, a governing body shall
26 (1) receive a housing study which is current within twenty-four months
27 for any city of the metropolitan class or current within sixty months for
28 any other city or village, (2) prepare an incentive plan for construction
29 of housing in the municipality targeted to house existing or new workers,
30 (3) hold a public hearing on such incentive plan with notice which
31 complies with the conditions set forth in section 18-2115.01, and (4)

1 after the public hearing find that such incentive plan is necessary to
2 prevent the spread of blight and substandard conditions within the
3 municipality, will promote additional safe and suitable housing for
4 individuals and families employed in the municipality, and will not
5 result in the unjust enrichment of any individual or company. A public
6 hearing held under this section shall be separate from any public hearing
7 held under section 18-2115.

8 Sec. 17. Section 18-2147, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 18-2147 (1) Any redevelopment plan as originally approved or as
11 later modified pursuant to section 18-2117 may contain a provision that
12 any ad valorem tax levied upon real property, or any portion thereof, in
13 a redevelopment project for the benefit of any public body shall be
14 divided, for the applicable period described in subsection (4) ~~(3)~~ of
15 this section, as follows:

16 (a) That portion of the ad valorem tax which is produced by the levy
17 at the rate fixed each year by or for each such public body upon the
18 redevelopment project valuation shall be paid into the funds of each such
19 public body in the same proportion as are all other taxes collected by or
20 for the body. When there is not a redevelopment project valuation on a
21 parcel or parcels, the county assessor shall determine the redevelopment
22 project valuation based upon the fair market valuation of the parcel or
23 parcels as of January 1 of the year prior to the year that the ad valorem
24 taxes are to be divided. The county assessor shall provide written notice
25 of the redevelopment project valuation to the authority as defined in
26 section 18-2103 and the owner. The authority or owner may protest the
27 valuation to the county board of equalization within thirty days after
28 the date of the valuation notice. All provisions of section 77-1502
29 except dates for filing of a protest, the period for hearing protests,
30 and the date for mailing notice of the county board of equalization's
31 decision are applicable to any protest filed pursuant to this section.

1 The county board of equalization shall decide any protest filed pursuant
2 to this section within thirty days after the filing of the protest. The
3 county clerk shall mail a copy of the decision made by the county board
4 of equalization on protests pursuant to this section to the authority or
5 owner within seven days after the board's decision. Any decision of the
6 county board of equalization may be appealed to the Tax Equalization and
7 Review Commission, in accordance with section 77-5013, within thirty days
8 after the date of the decision;

9 (b) That portion of the ad valorem tax on real property, as provided
10 in the redevelopment contract, bond resolution, or redevelopment plan, as
11 applicable, in the redevelopment project in excess of such amount, if
12 any, shall be allocated to and, when collected, paid into a special fund
13 of the authority to be used solely to pay the principal of, the interest
14 on, and any premiums due in connection with the bonds of, loans, notes,
15 or advances of money to, or indebtedness incurred by, whether funded,
16 refunded, assumed, or otherwise, such authority for financing or
17 refinancing, in whole or in part, the redevelopment project. When such
18 bonds, loans, notes, advances of money, or indebtedness, including
19 interest and premiums due, have been paid, the authority shall so notify
20 the county assessor and county treasurer and all ad valorem taxes upon
21 taxable real property in such a redevelopment project shall be paid into
22 the funds of the respective public bodies. An authority may use a single
23 fund for purposes of this subdivision for all redevelopment projects or
24 may use a separate fund for each redevelopment project; and

25 (c) Any interest and penalties due for delinquent taxes shall be
26 paid into the funds of each public body in the same proportion as are all
27 other taxes collected by or for the public body.

28 (2) To the extent that a redevelopment plan authorizes the division
29 of ad valorem taxes levied upon only a portion of the real property
30 included in such redevelopment plan, any improvements funded by such
31 division of taxes shall be related to the redevelopment plan that

1 authorized such division of taxes.

2 (3)(a) For any redevelopment plan located in a city of the
3 metropolitan class that includes a division of taxes, as provided in this
4 section, that produces, in whole or in part, funds to be used directly or
5 indirectly for (i) new construction, rehabilitation, or acquisition of
6 housing for households with annual incomes below the area median income
7 for households and located within six hundred yards of a public passenger
8 streetcar or (ii) new construction, rehabilitation, or acquisition of
9 single-family housing or condominium housing used as primary residences
10 for individuals with annual incomes below the area median income for
11 individuals, such housing shall be deemed related to the redevelopment
12 plan that authorized such division of taxes regardless of whether such
13 housing is or will be located on real property within such redevelopment
14 plan, as long as such housing supports activities occurring on or
15 identified in such redevelopment plan.

16 (b) During each fiscal year in which the funds described in
17 subdivision (a) of this subsection are available, the authority and city
18 shall make best efforts to allocate not less than thirty percent of such
19 funds to single-family housing deemed related to the redevelopment plan
20 described under such subdivision.

21 (c) In selecting projects to receive funding, the authority and city
22 shall develop a qualified allocation plan and give first priority to
23 financially viable projects that serve the lowest income occupants for
24 the longest period of time.

25 (4)(a) ~~(3)(a)~~ For any redevelopment plan for which more than fifty
26 percent of the property in the redevelopment project area has been
27 declared an extremely blighted area in accordance with section
28 18-2101.02, ad valorem taxes shall be divided for a period not to exceed
29 twenty years after the effective date as identified in the project
30 redevelopment contract or in the resolution of the authority authorizing
31 the issuance of bonds pursuant to section 18-2124.

1 (b) For all other redevelopment plans, ad valorem taxes shall be
2 divided for a period not to exceed fifteen years after the effective date
3 as identified in the project redevelopment contract, in the resolution of
4 the authority authorizing the issuance of bonds pursuant to section
5 18-2124, or in the redevelopment plan, whichever is applicable.

6 (5) ~~(4)~~ The effective date of a provision dividing ad valorem taxes
7 as provided in subsection ~~(4)~~ ~~(3)~~ of this section shall not occur until
8 such time as the real property in the redevelopment project is within the
9 corporate boundaries of the city. This subsection shall not apply to a
10 redevelopment project involving a formerly used defense site as
11 authorized in section 18-2123.01.

12 (6) ~~(5)~~ Beginning August 1, 2006, all notices of the provision for
13 dividing ad valorem taxes shall be sent by the authority to the county
14 assessor on forms prescribed by the Property Tax Administrator. The
15 notice shall be sent to the county assessor on or before August 1 of the
16 year of the effective date of the provision. Failure to satisfy the
17 notice requirement of this section shall result in the taxes, for all
18 taxable years affected by the failure to give notice of the effective
19 date of the provision, remaining undivided and being paid into the funds
20 for each public body receiving property taxes generated by the property
21 in the redevelopment project. However, the redevelopment project
22 valuation for the remaining division of ad valorem taxes in accordance
23 with subdivisions (1)(a) and (b) of this section shall be the last
24 certified valuation for the taxable year prior to the effective date of
25 the provision to divide the taxes for the remaining portion of the
26 twenty-year or fifteen-year period pursuant to subsection ~~(4)~~ ~~(3)~~ of this
27 section.

28 Sec. 18. (1) If an area has been designated as a substandard and
29 blighted area under section 18-2109 or an extremely blighted area under
30 section 18-2101.02, the governing body of the city may review such area
31 at any time to determine whether the area is still eligible for the

1 relevant designation. As part of such review, the governing body may, but
2 need not:

3 (a) Examine any study or analysis of such area conducted pursuant to
4 section 18-2101.02 or 18-2109 to determine whether the conditions that
5 led to the relevant designation still exist; and

6 (b) Examine the conditions within the area to determine whether the
7 area still qualifies as a blighted area, a substandard area, or an
8 extremely blighted area as such terms are defined in section 18-2103.

9 (2) If a review is conducted under this section and the governing
10 body of the city finds that an area is no longer a substandard and
11 blighted area or an extremely blighted area, the governing body may
12 remove the relevant designation by passing a resolution declaring such
13 area to no longer be a substandard and blighted area or an extremely
14 blighted area. If the same area has been designated as both a substandard
15 and blighted area and an extremely blighted area, the governing body may
16 remove both designations in a single resolution.

17 (3) Removal of a substandard and blighted area designation or an
18 extremely blighted area designation pursuant to this section shall not
19 affect the validity of (a) any redevelopment plan or redevelopment
20 project involving such area that was approved prior to the removal of
21 such designation or (b) any bond, security for such bond, redevelopment
22 contract, or agreement relating to such a redevelopment plan or
23 redevelopment project.

24 Sec. 19. (1) Beginning January 1, 2026, if an area has been
25 designated as a substandard and blighted area under section 18-2109 or an
26 extremely blighted area under section 18-2101.02 for more than thirty
27 years, the governing body of the city shall not approve a new
28 redevelopment plan or redevelopment project within such area unless and
29 until the city conducts an analysis of the redevelopment projects that
30 have occurred within such area. The analysis shall, at a minimum, include
31 an assessment of the factors contributing to the lack of redevelopment in

1 those parts of the area where significant redevelopment has not occurred
2 and goals for the future redevelopment of the area. The analysis shall be
3 provided to the planning commission or board of the city and to the
4 governing body of the city. A copy of such analysis shall be made
5 available for public inspection at a location designated by the city.

6 (2) This section does not apply to the downtown area of a city of
7 the first class, city of the second class, or village. For purposes of
8 this section, downtown area means the urban core of population density
9 and concentrated commercial activity.

10 Sec. 20. Section 18-2155, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 18-2155 (1) The governing body of a city may elect by resolution to
13 allow expedited reviews of redevelopment plans that meet the requirements
14 of subsection (2) of this section. A redevelopment plan that receives an
15 expedited review pursuant to this section shall be exempt from the
16 requirements of sections 18-2111 to 18-2115 and 18-2116.

17 (2) A redevelopment plan is eligible for expedited review under this
18 section if:

19 (a) The redevelopment plan includes only one redevelopment project;

20 (b) The redevelopment project involves:

21 (i) The repair, rehabilitation, or replacement of an existing
22 structure that has been within the corporate limits of the city for at
23 least sixty years and is located within a substandard and blighted area;
24 or

25 (ii) The redevelopment of a vacant lot that is located within a
26 substandard and blighted area that has been within the corporate limits
27 of the city for at least sixty years and has been platted for at least
28 sixty years;

29 (c) The redevelopment project is located in a county with a
30 population of less than one hundred thousand inhabitants; and

31 (d) The assessed value of the property within the redevelopment

1 project area when the project is complete is estimated to be no more
2 than:

3 (i) Three hundred fifty thousand dollars for a redevelopment project
4 involving a single-family residential structure;

5 (ii) One million five hundred thousand dollars for a redevelopment
6 project involving a multi-family residential structure or commercial
7 structure; or

8 (iii) Ten million dollars for a redevelopment project involving the
9 revitalization of a structure included in the National Register of
10 Historic Places.

11 (3) The governing body of a city that elects to allow expedited
12 reviews of redevelopment plans under this section may establish by
13 resolution an annual limit on the number of such redevelopment plans that
14 may be approved by the governing body.

15 (4) (3) The expedited review shall consist of the following steps:

16 (a) A redeveloper shall prepare the redevelopment plan using a
17 standard form developed by the Department of Economic Development. The
18 form shall include (i) the existing uses and condition of the property
19 within the redevelopment project area, (ii) the proposed uses of the
20 property within the redevelopment project area, (iii) the number of years
21 the existing structure has been within the corporate limits of the city
22 or the number of years that the vacant lot has been platted within the
23 corporate limits of the city, whichever is applicable, (iv) the current
24 assessed value of the property within the redevelopment project area, (v)
25 the increase in the assessed value of the property within the
26 redevelopment project area that is estimated to occur as a result of the
27 redevelopment project, ~~and~~ (vi) an indication of whether the
28 redevelopment project will be financed in whole or in part through the
29 division of taxes as provided in section 18-2147, and (vii) the agreed-
30 upon costs of the redevelopment project;

31 (b) The redeveloper shall submit the redevelopment plan directly to

1 the governing body along with any ~~building permit or other permits~~
2 ~~necessary to complete the redevelopment project~~ and an application fee in
3 an amount set by the governing body, not to exceed fifty dollars. Such
4 application fee shall be separate from any fees for building permits or
5 other permits needed for the project; and

6 (c) ~~The If the governing body has elected to allow expedited reviews~~
7 ~~of redevelopment plans under subsection (1) of this section and the~~
8 ~~submitted redevelopment plan meets the requirements of subsection (2) of~~
9 ~~this section,~~ the governing body shall determine whether to approve or
10 deny the redevelopment plan within thirty days after submission of the
11 plan. A redevelopment plan may be denied if:

12 (i) The redevelopment plan does not meet the requirements of
13 subsection (2) of this section;

14 (ii) Approval of the redevelopment plan would exceed the annual
15 limit established under subsection (3) of this section; or

16 (iii) The redevelopment plan is inconsistent with the city's
17 comprehensive development plan.

18 (5) ~~(4)~~ Each city may select the appropriate employee or department
19 to conduct expedited reviews pursuant to this section.

20 (6) ~~(5)~~ For any approved redevelopment project that is financed in
21 whole or in part through the division of taxes as provided in section
22 18-2147:

23 (a) The authority shall incur indebtedness related to the
24 redevelopment project which in the form of a promissory note issued to
25 the owner of record of the property within the redevelopment project
26 area. The total amount of indebtedness shall not exceed the lesser of the
27 agreed-upon costs of the redevelopment project or the amount estimated to
28 be generated over a fifteen-year period from the portion of taxes
29 mentioned in subdivision (1)(b) of section 18-2147. Such ~~The terms of~~
30 ~~such promissory note shall clearly state that such indebtedness shall~~
31 ~~does not create a general obligation on behalf of the authority or the~~

1 city in the event that the amount generated over a fifteen-year period
2 from the portion of taxes mentioned in subdivision (1)(b) of section
3 18-2147 does not equal the costs of the agreed-upon work to repair,
4 rehabilitate, or replace the structure or to redevelop the vacant lot as
5 provided in the redevelopment plan;

6 (b) Upon completion of the agreed-upon work to repair, rehabilitate,
7 or replace the structure or to redevelop the vacant lot as provided in
8 the redevelopment plan, the redeveloper shall notify the county assessor
9 of such completion; and

10 (c) The county assessor shall then determine:

11 (i) Whether the redevelopment project is complete. Redevelopment
12 projects must be completed within two years after the redevelopment plan
13 is approved under this section; and

14 (ii) The assessed value of the property within the redevelopment
15 project area.

16 (7) ~~(6)~~ After the county assessor makes the determinations required
17 under subdivision (6)(c) ~~(5)(e)~~ of this section, the county assessor
18 shall use a standard certification form developed by the Department of
19 Revenue to certify to the authority:

20 (a) That improvements have been made and completed;

21 (b) That a valuation increase has occurred;

22 (c) The amount of the valuation increase; and

23 (d) That the valuation increase was due to the improvements made.

24 (8) ~~(7)~~ Once the county assessor has made the certification required
25 under subsection (7) ~~(6)~~ of this section, the authority may begin to use
26 the portion of taxes mentioned in subdivision (1)(b) of section 18-2147
27 to pay the indebtedness incurred by the authority under subdivision (6)
28 (a) ~~(5)(a)~~ of this section.

29 (9) The payments shall be remitted to the holder of the indebtedness
30 ~~owner of record of the property within the redevelopment project area.~~
31 The changes made to this subsection by this legislative bill shall be

1 retroactive in application and shall apply to redevelopment plans
2 approved prior to, on, or after the effective date of this act.

3 (10) (8) A single fund may be used for all redevelopment projects
4 that receive an expedited review pursuant to this section. It shall not
5 be necessary to create a separate fund for any such project, including a
6 project financed in whole or in part through the division of taxes as
7 provided in section 18-2147.

8 (11) The governing body of a city that elects to allow expedited
9 reviews of redevelopment plans under this section may revoke such
10 election by resolution at any time. The revocation of such election shall
11 not affect the validity of (a) any redevelopment plan or redevelopment
12 project that was approved under this section prior to the revocation of
13 such election or (b) any indebtedness incurred by the authority under
14 subdivision (6)(a) of this section prior to the revocation of such
15 election.

16 Sec. 21. Section 19-5504, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 19-5504 (1) On or before July 1, 2021, and by each July 1 every two
19 years thereafter, each city shall electronically submit a report to the
20 Urban Affairs Committee of the Legislature detailing its efforts to
21 address the availability of and incentives for affordable housing through
22 its zoning codes, ordinances, and regulations. Such report shall include,
23 but not be limited to:

24 (a) An overview of the city's current residential zoning
25 requirements;

26 (b) The percentage of areas within the corporate limits of the city
27 zoned for residential use which permit the construction of multifamily
28 housing and middle housing, including whether such areas are zoned
29 specifically for residential use or generally allow residential use, and
30 whether such construction is permitted with or without any additional
31 permit requirements;

1 (c) A breakdown of new residential construction within the corporate
2 limits of the city over the previous five years, including the percentage
3 of such construction that was single-family housing, multifamily housing,
4 and middle housing;

5 (d) A breakdown of residential units annexed by the city over the
6 previous five years, including the percentage of such units that were
7 single-family housing, multifamily housing, and middle housing;

8 (e) An estimate of the per-unit cost of housing within the corporate
9 limits of the city;

10 (f) Whether such zoning codes, ordinances, and regulations provide
11 for density bonuses or other concessions or incentives which encourage
12 residential density, and the frequency with which such bonuses,
13 concessions, or incentives are utilized;

14 (g) Whether such zoning codes, ordinances, and regulations allow the
15 construction of accessory dwelling units;

16 (h) What incentives the city applies to encourage the development of
17 affordable housing, including both direct incentives and regulatory
18 relief;

19 (i) The percentage of areas within the corporate limits of the city
20 zoned for residential use which have been declared substandard and
21 blighted areas under the Community Development Law;

22 (j) The percentage of areas within the corporate limits of the city
23 zoned for residential use which have been declared extremely blighted
24 areas under the Community Development Law;

25 (k) A demographic analysis of the city with trends and estimates of
26 the housing need classified by housing type and price range; and

27 (l) Efforts to adopt an affordable housing action plan as required
28 under section 19-5505 or efforts to implement an affordable housing
29 action plan after such plan is adopted.

30 (2) The Urban Affairs Committee of the Legislature may require any
31 city to present its report to the committee at a public hearing.

1 Sec. 22. Section 19-5505, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 19-5505 (1) On or before January 1, 2023, each city with a
4 population of fifty thousand or more inhabitants shall adopt an
5 affordable housing action plan. On or before January 1, 2024, each city
6 with a population of less than fifty thousand inhabitants shall adopt an
7 affordable housing action plan. Such action plan shall include, but not
8 be limited to:

9 (a) Goals for the construction of new affordable housing units,
10 including multifamily housing and middle housing, with specific types and
11 numbers of units, geographic locations, and specific actions to encourage
12 the development of affordable housing, middle housing, and workforce
13 housing;

14 (b) Goals for a percentage of areas in the city zoned for
15 residential use which permit the construction of multifamily housing and
16 middle housing;

17 (c) Plans for the use of federal, state, and local incentives to
18 encourage affordable housing, middle housing, and workforce housing,
19 including the Affordable Housing Trust Fund, the Local Option Municipal
20 Economic Development Act, tax-increment financing, federal community
21 development block grants, density bonuses, and other nonmonetary
22 regulatory relief; and

23 (d) Updates to the city's zoning codes, ordinances, and regulations
24 to incentivize affordable housing.

25 (2) An affordable housing action plan required under subsection (1)
26 of this section may be adopted as part of a city's comprehensive plan or
27 as a separate plan.

28 (3) Each city that adopts an affordable housing action plan as
29 required under subsection (1) of this section shall electronically submit
30 a copy of such plan to the Urban Affairs Committee of the Legislature.

31 (4) {3} Any city which fails to adopt an affordable housing action

1 plan as required under subsection (1) of this section shall be required
2 to allow the development of:

3 (a) Middle housing in all areas in the city zoned for residential
4 use that allow for the development of detached single-family dwellings;
5 and

6 (b) A duplex on each lot or parcel zoned for residential use that
7 allows for the development of detached single-family dwellings.

8 ~~(5)~~ ~~(4)~~ A city shall amend any building zoning ordinances or
9 regulations as needed to comply with subsection ~~(4)~~ ~~(3)~~ of this section.

10 Sec. 23. Section 58-209.01, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 58-209.01 Blighted area has the same meaning as in section 18-2103
13 ~~shall mean an area within a city or village (1) which by reason of the~~
14 ~~presence of a substantial number of deteriorated or deteriorating~~
15 ~~structures, defective or inadequate street layout, faulty lot layout in~~
16 ~~relation to size, adequacy, accessibility or usefulness, unsanitary or~~
17 ~~unsafe conditions, deterioration of site or other improvements, diversity~~
18 ~~of ownership, tax or special assessment delinquency exceeding the fair~~
19 ~~value of the land, defective or unusual conditions of title, improper~~
20 ~~subdivision or obsolete platting, or conditions which endanger life or~~
21 ~~property by fire and other causes or any combination of such factors~~
22 ~~substantially impairs or arrests the sound growth of the community,~~
23 ~~retards the provision of housing accommodations, or constitutes an~~
24 ~~economic or social liability and is detrimental to the public health,~~
25 ~~safety, morals, or welfare in its present condition and use and (2) in~~
26 ~~which there is at least one of the following conditions: (a) Unemployment~~
27 ~~in the designated area is at least one hundred twenty percent of the~~
28 ~~state or national average; (b) the average age of the residential or~~
29 ~~commercial units in the area is at least forty years; (c) more than half~~
30 ~~of the platted and subdivided property in the area is unimproved land~~
31 ~~that has been within the city or village for forty years and has remained~~

1 ~~unimproved during that time; (d) the per capita income of the area is~~
2 ~~lower than the average per capita income of the municipality in which the~~
3 ~~area is designated; or (e) the area has had either stable or decreasing~~
4 ~~population based on the last two decennial censuses. A city of the~~
5 ~~metropolitan, primary, or first class shall not designate more than~~
6 ~~thirty-five percent of the city as blighted, a city of the second class~~
7 ~~shall not designate an area larger than fifty percent of the city as~~
8 ~~blighted, and a village shall not designate an area larger than one~~
9 ~~hundred percent of the village as blighted.~~

10 Sec. 24. Section 61-305, Revised Statutes Cumulative Supplement,
11 2022, is amended to read:

12 61-305 (1) The Perkins County Canal Project Fund is created. The
13 fund shall be administered by the Department of Natural Resources. The
14 State Treasurer shall credit to the fund any money transferred by the
15 Legislature and such grants, loans, donations, gifts, bequests, or other
16 money received from any federal or state agency or public or private
17 source for use by the department for the canal project. Any money in the
18 Perkins County Canal Project Fund available for investment shall be
19 invested by the state investment officer pursuant to the Nebraska Capital
20 Expansion Act and the Nebraska State Funds Investment Act. Any investment
21 earnings from investment of money in the Perkins County Canal Project
22 Fund fund shall be credited to such fund, except that for fiscal years
23 2023-24, 2024-25, and 2025-26, such investment earnings shall be credited
24 to the Economic Recovery Contingency Fund fund.

25 (2)(a) The department shall use the Perkins County Canal Project
26 Fund fund for design, engineering, permitting, and options to purchase
27 land related to building a canal as outlined by the South Platte River
28 Compact and to contract with an independent firm for the purposes of
29 completing a study of such canal. The study shall include, but may not be
30 limited to, the following:

31 (i) Costs of completion of a canal and adjoining reservoirs as

1 outlined in the South Platte River Compact;

2 (ii) A timeline for completion of a canal and adjoining reservoirs
3 as outlined in the South Platte River Compact;

4 (iii) A cost-effectiveness study examining alternatives, including
5 alternatives that may reduce environmental or financial impacts; and

6 (iv) The impacts of the canal on drinking water supplies for the
7 cities of Lincoln and Omaha.

8 (b) The department shall provide the findings of such study
9 electronically to the Clerk of the Legislature and present the findings
10 at a public hearing held by the Appropriations Committee of the
11 Legislature on or before December 31, 2022.

12 Sec. 25. Section 72-1001, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 72-1001 The Nebraska Capital Construction Fund is created. The fund
15 shall consist of revenue and transfers credited to the fund as authorized
16 by law. Money shall be appropriated from the fund to state agencies for
17 making payments on projects as determined by the Legislature, including,
18 but not limited to, purchases of land, structural improvements to land,
19 acquisition of buildings, construction of buildings, including
20 architectural and engineering costs, replacement of or major repairs to
21 structural improvements to land or buildings, additions to existing
22 structures, remodeling of buildings, and acquisition of equipment and
23 furnishings of new or remodeled buildings. The fund shall be administered
24 by the State Treasurer as a multiple-agency-use fund and appropriated to
25 state agencies as determined by the Legislature. Transfers may be made
26 from the fund to the Capitol Restoration Cash Fund at the direction of
27 the Legislature. Any money in the Nebraska Capital Construction Fund
28 available for investment shall be invested by the state investment
29 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
30 State Funds Investment Act. Any investment earnings from investment of
31 money in the Nebraska Capital Construction Fund shall be credited to such

1 fund, except that for fiscal years 2023-24, 2024-25, and 2025-26, any
2 investment earnings from investment of money in the Nebraska Capital
3 Construction Fund from transfers credited to such fund that are
4 designated for the construction of a new state prison shall be credited
5 to the Economic Recovery Contingency Fund.

6 Sec. 26. Section 76-3602, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 76-3602 (1) Before conducting home inspections in this state ~~and in~~
9 ~~each even-numbered year~~, a home inspector shall register with the
10 Secretary of State. If the home inspector is an individual, the home
11 inspector shall sign such registration. If the home inspector is a firm,
12 partnership, corporation, company, association, limited liability
13 company, or other legal entity, an officer or agent of the home inspector
14 shall sign such registration. Such registration shall include:

15 (a) ~~(1)~~ The name of the home inspector if the home inspector is an
16 individual or the name of the legal entity under which such home
17 inspector proposes to register and transact business in this state;

18 (b) ~~(2)~~ The address of the home office of the home inspector;

19 (c) ~~(3)~~ The name and address of the agent for service of process on
20 the home inspector; and

21 (d) ~~(4)~~ Any national certification relating to home inspection
22 currently held by the home inspector.

23 (2) A home inspector may apply to renew a registration by submitting
24 an application for renewal in a form prescribed by the Secretary of State
25 within forty-five days prior to the expiration of the registration.

26 (3) A registration for a home inspector is valid for two years.

27 Sec. 27. Section 76-3603, Revised Statutes Cumulative Supplement,
28 2022, is amended to read:

29 76-3603 At the time of registration or renewal of a registration
30 pursuant to section 76-3602, a home inspector shall:

31 (1) Pay a registration or renewal fee to the Secretary of State. The

1 Secretary of State shall set such registration or renewal fee in an
2 amount sufficient to defray the administrative costs of registration or
3 renewal but not to exceed three hundred dollars. The Secretary of State
4 shall remit such registration or renewal fee to the State Treasurer for
5 credit to the Secretary of State Cash Fund; and

6 (2) Provide to the Secretary of State a certificate of insurance
7 evidencing coverage in an amount of not less than two hundred fifty
8 thousand dollars for general liability.

9 Sec. 28. Section 76-3604, Revised Statutes Cumulative Supplement,
10 2022, is amended to read:

11 76-3604 A home inspector shall report a change in information
12 required by section 76-3602 or 76-3603 within forty-five calendar ~~thirty~~
13 ~~business~~ days of such change.

14 Sec. 29. Section 81-1237, Revised Statutes Cumulative Supplement,
15 2022, is amended to read:

16 81-1237 For purposes of the Middle Income Workforce Housing
17 Investment Act:

18 (1) Department means the Department of Economic Development;

19 (2) Director means the Director of Economic Development;

20 (3) Eligible activities of a workforce housing investment fund
21 means:

22 (a) New construction of owner-occupied housing in a neighborhood and
23 community with a demonstrated need for housing that is affordable and
24 attractive to first-time homebuyers, middle-income families, and the
25 emerging workforce;

26 (b) Substantial repair or rehabilitation of dilapidated housing
27 stock; or

28 (c) Upper-story housing development for occupation by a homeowner;

29 ~~(4) HOME funds means funds awarded as formula grants under the HOME~~
30 ~~Investment Partnerships Program administered by the United States~~
31 ~~Department of Housing and Urban Development;~~

1 ~~(4)~~ ~~(5)~~ Matching funds means dollars contributed by individuals,
2 businesses, foundations, local and regional political subdivisions, or
3 other nonprofit organizations to a workforce housing investment fund
4 administered by a nonprofit development organization;

5 ~~(5)~~ ~~(6)~~ Nonprofit development organization means a regional or
6 statewide nonprofit development organization approved by the director;

7 ~~(6)~~ ~~(7)~~ Qualified activities include, for all allocations under the
8 Middle Income Workforce Housing Investment Act, grants, loans, forgivable
9 loans, purchase guarantees, loan guarantees, loan participations, and
10 other credit enhancements related to eligible activities of the workforce
11 housing investment fund;

12 ~~(7)~~ ~~(8)~~ Qualified investment means a cash investment in a workforce
13 housing investment fund administered by a nonprofit development
14 organization;

15 ~~(8)~~ ~~(9)~~ Urban community means, for all allocations under the Middle
16 Income Workforce Housing Investment Act, any area that is:

17 (a) In a county with a population greater than one hundred thousand
18 inhabitants as determined by the most recent federal decennial census;
19 and

20 (b)(i) Within a qualified census tract as described in 26 U.S.C.
21 42(d)(5)(B), as such section existed on January 1, ~~2023~~ 2022; or

22 (ii) Within a city of the primary class. This subdivision (ii) shall
23 apply to workforce housing grants awarded before, on, or after the
24 effective date of this act;

25 ~~(9)~~ ~~(10)~~ Workforce housing means, for all allocations under the
26 Middle Income Workforce Housing Investment Act:

27 (a) Owner-occupied housing units that have a total housing
28 construction cost ~~an after-construction appraised value~~ of at least one
29 hundred twenty-five thousand dollars but not more than two hundred
30 seventy-five thousand dollars. Total housing construction cost excludes
31 infrastructure improvements, lot acquisition, and similar construction

1 preparation costs. For purposes of this subdivision, total housing
2 construction cost ~~(a) and subdivision (b) of this subdivision, housing~~
3 ~~unit after construction appraised value~~ shall be updated annually by the
4 department based upon the most recent increase or decrease in the
5 Producer Price Index for all commodities, published by the United States
6 Department of Labor, Bureau of Labor Statistics;

7 (b) Owner-occupied housing units for which the cost to substantially
8 rehabilitate such units exceeds fifty percent of a unit's before-
9 construction assessed value, and the after-construction appraised value
10 is at least one hundred twenty-five thousand dollars but not more than
11 two hundred seventy-five thousand dollars. For purposes of this
12 subdivision, housing unit after-construction appraised value shall be
13 updated annually by the department based upon the most recent increase or
14 decrease in the Producer Price Index for all commodities, published by
15 the United States Department of Labor, Bureau of Labor Statistics; and

16 (c) Upper-story housing for occupation by a homeowner; and

17 ~~(d) Housing that does not receive federal or state low income~~
18 ~~housing tax credits, community development block grants, HOME funds, or~~
19 ~~funds from the Affordable Housing Trust Fund; and~~

20 (10) ~~(11)~~ Workforce housing investment fund means a fund that has
21 been created by a nonprofit development organization and certified by the
22 director to encourage development of workforce housing in urban
23 communities.

24 Sec. 30. Section 81-1238, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 81-1238 (1) The director shall establish a workforce housing
27 investment grant program to foster and support the development of
28 workforce housing in urban communities.

29 (2) A nonprofit development organization may apply to the director
30 for approval of a workforce housing grant for a workforce housing
31 investment fund. The application shall be in a form and manner prescribed

1 by the director. Through fiscal year 2026-27, grants shall be awarded by
2 the director on a competitive basis until grant funds are no longer
3 available. Grant maximums shall not exceed five million dollars to any
4 one nonprofit development organization over a two-year period, with the
5 cumulative amount for any single grantee to be determined by the
6 department at the discretion of the director. An applicant shall provide
7 matching funds of at least one-half of the amount of workforce housing
8 grant funds awarded. Unallocated funds held by the department shall be
9 rolled to the next program year.

10 (3) Grants shall be awarded based upon:

11 (a) A demonstrated need for additional owner-occupied housing. Need
12 can be demonstrated with a recent housing study or a letter from the
13 planning department of the city in which the fund is intending to operate
14 stating that the proposal is in line with the city's most recent
15 consolidated plan submitted under 24 C.F.R. part 91, subpart D, as such
16 subpart existed on January 1, 2020;

17 (b) A neighborhood or community that has a higher-than-state-average
18 unemployment rate;

19 (c) A neighborhood or community that exhibits a demonstrated
20 commitment to growing its housing stock;

21 (d) Reducing barriers to the development and purchase of owner-
22 occupied housing with flexible forms of assistance, including grants,
23 forgivable loans, and other forms of long-term, patient financing;

24 (e) ~~(d)~~ Projects that can reasonably be ready for occupancy in a
25 period of twenty-four months; and

26 (f) ~~(e)~~ A demonstrated ability to grow and manage a workforce
27 housing investment fund.

28 (4) A workforce housing investment fund shall:

29 (a) Be required to receive annual certification from the department;

30 (b) Invest or intend to invest in eligible activities for a
31 workforce housing investment fund;

1 (c) Use any fees, interest, loan repayments, or other funds received
2 by the nonprofit development organization as a result of the
3 administration of the grant to support qualified activities; and

4 (d) Have an active board of directors with expertise in development,
5 construction, and finance that meets at least quarterly to approve all
6 qualified investments made by the nonprofit development organization. A
7 nonprofit development organization shall have a formal plan and proven
8 expertise to invest unused workforce housing investment fund balances and
9 shall conduct an annual audit of all financial records by an independent
10 certified public accountant.

11 (5) A nonprofit development organization that has previously
12 received a grant or grants under the Middle Income Workforce Housing
13 Investment Act shall not be eligible for an additional grant under this
14 section unless the organization has expended at least fifty percent of
15 the funds from such previous grant or grants.

16 Sec. 31. Section 81-1239, Revised Statutes Cumulative Supplement,
17 2022, is amended to read:

18 81-1239 (1) The Middle Income Workforce Housing Investment Fund is
19 created. Funding for the grant program described in section 81-1238 shall
20 come from the Middle Income Workforce Housing Investment Fund. The Middle
21 Income Workforce Housing Investment Fund may include revenue from
22 appropriations from the Legislature, grants, private contributions, and
23 other sources. Any money in the Middle Income Workforce Housing
24 Investment Fund available for investment shall be invested by the state
25 investment officer pursuant to the Nebraska Capital Expansion Act and the
26 Nebraska State Funds Investment Act.

27 (2) The department shall establish a subaccount within the Middle
28 Income Workforce Housing Investment Fund that shall be used to fund
29 affordable housing and related land parcel preparation activities under
30 the Economic Recovery Act as described in subdivisions (4)(e) and (4)(f)
31 of section 81-12,241.

1 ~~(3)~~ ~~(2)~~ The department shall administer the Middle Income Workforce
2 Housing Investment Fund and may seek additional private or nonstate funds
3 to use in the grant program, including, but not limited to, contributions
4 from the Nebraska Investment Finance Authority and other interested
5 parties.

6 ~~(4)~~ ~~(3)~~ Interest earned by the department on grant funds shall be
7 applied to the grant program.

8 ~~(5)~~ ~~(4)~~ If a nonprofit development organization, or a recipient of
9 subaccount funds described in subsection (2) of this section, fails to
10 engage in a qualified activity within twenty-four months after receiving
11 initial grant funding, the nonprofit development organization or
12 recipient of subaccount funds shall return the grant proceeds to the
13 department for credit to the General Fund.

14 ~~(6)~~ ~~(5)~~ Beginning July 1, 2029, any funds held by the department in
15 the Middle Income Workforce Housing Investment Fund shall be transferred
16 to the General Fund.

17 Sec. 32. Section 81-1240, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 81-1240 (1) Each nonprofit development organization shall submit an
20 annual report to the director to be included as a part of the
21 department's annual status report required under section 81-1201.11. The
22 report shall certify that the workforce housing investment fund meets the
23 requirements of the Middle Income Workforce Housing Investment Act and
24 shall include a breakdown of program activities.

25 (2) The annual report shall include, but not be limited to:

26 (a) The name and geographical location of the nonprofit development
27 organization;

28 (b) The number, amount, and type of workforce housing investment
29 funds invested in qualified activities;

30 (c) The number, geographical location, type, and amount of
31 investments made;

1 (d) A summary of matching funds and where such matching funds were
2 generated; and

3 (e) The results of the annual audit required under subdivision (4)
4 (d) of section 81-1238.

5 (3) If a nonprofit development organization ceases administration of
6 a workforce housing investment fund, it shall file a final report with
7 the director in a form and manner required by the director. Before July
8 1, 2029, any unallocated workforce housing investment fund grant funds
9 shall be returned for credit to the Middle Income Workforce Housing
10 Investment Fund. On and after July 1, 2029, any unallocated workforce
11 housing investment fund grant funds shall be returned to the department
12 for transfer to the General Fund.

13 (4) If a workforce housing investment fund fails to file a complete
14 annual report by February 15, the director may, in his or her discretion,
15 impose a civil penalty of not more than five thousand dollars for such
16 violation. All money collected by the department pursuant to this
17 subsection shall be remitted to the State Treasurer for distribution in
18 accordance with Article VII, section 5, of the Constitution of Nebraska.

19 (5) This section does not apply to the subaccount of the Middle
20 Income Workforce Housing Investment Fund described in subsection (2) of
21 section 81-1239.

22 Sec. 33. Section 81-1243, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 81-1243 The department may adopt and promulgate rules and
25 regulations to administer and enforce the Middle Income Workforce Housing
26 Investment Act, including rules, regulations, and reporting requirements
27 relating to proposals pursuant to subdivisions (4)(e) and (f) of section
28 81-12,241.

29 Sec. 34. Section 81-12,109, Revised Statutes Cumulative Supplement,
30 2022, is amended to read:

31 81-12,109 (1) The department shall designate innovation hubs within

1 iHub areas to stimulate partnerships, economic development, and job
2 creation by leveraging iHub partner assets to provide an innovation
3 platform for startup businesses, economic development organizations,
4 business groups, and venture capitalists. The iHub partner assets may
5 include, but are not limited to, research parks, technology incubators,
6 universities, and federal laboratories.

7 (2) The department shall designate no more than four iHubs in the
8 first congressional district, no more than three iHubs in the second
9 congressional district, and no more than six iHubs in the third
10 congressional district.

11 Sec. 35. Section 81-12,110, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 81-12,110 (1) Except as provided in subsection (3) of this section,
14 a A private nonprofit corporation may apply to the director to become
15 designated as an iHub. Applications shall be submitted on or after
16 November 1, 2022, and before June 1, 2023. The application shall include,
17 but not be limited to, the following:

18 (a) A statement of purpose;

19 (b) A signed statement of cooperation and a description of the roles
20 and relationships of each iHub partner;

21 (c) A clear explanation and map conveying the iHub area;

22 (d) A clearly identified central location for the iHub, which shall
23 be a physical location;

24 (e) A complete budget, including a description of secured funds,
25 pending funds, and potential future funding sources;

26 (f) A clearly articulated iHub management structure and plan, which
27 may include a description of the capabilities, qualifications, and
28 experience of the proposed management team, team leaders, or key
29 personnel who are critical to achieving the proposed objectives;

30 (g) A list of iHub assets and resources;

31 (h) A clearly articulated industry focus area of the iHub, including

1 industry sectors or other targeted areas for development and growth;

2 (i) A list of specific resources available to support and guide
3 startup companies;

4 (j) A five-year plan, which shall include a clearly articulated list
5 of goals to be achieved with the designation of the iHub;

6 (k) Defined performance standards agreed upon by the applicant and
7 the proposed iHub partners, which may include expectations for job
8 development and business creation;

9 (l) Evaluation procedures that will be used to measure the level of
10 achievement for each stated goal;

11 (m) A plan for sustainability;

12 (n) Demonstrated experience with innovation programs, such as
13 involvement with technology commercialization;

14 (o) Evidence of community engagement and support; and

15 (p) An application fee of one thousand dollars. The director shall
16 remit all application fees received under this section to the State
17 Treasurer for credit to the Innovation Hub Cash Fund.

18 (2) The department shall establish a weighted scoring system to
19 evaluate applications for iHub designations with priority given to start-
20 up nonprofits expressing new and innovative ideas. Such weighted scoring
21 system shall consider, at a minimum:

22 (a) Whether the iHub is committed to serving underrepresented
23 communities in the proposed iHub area;

24 (b) Whether the iHub has a plan for marketing and outreach to
25 underrepresented communities in the proposed iHub area;

26 (c) Whether the iHub has signed statements of cooperation with at
27 least three proposed iHub partners; and

28 (d) The quality of the iHub's five-year plan.

29 (3) The director shall determine whether or not to approve the
30 requested iHub designation by no later than July 1, 2023. Each iHub
31 designation shall be for a term of five years. An applicant that has

1 received a grant under subdivision (4)(a) of section 81-12,241 shall not
2 qualify for designation as an iHub.

3 (4) The iHub designation shall not be official until a memorandum of
4 understanding is entered into by the applicant and the director. The
5 memorandum of understanding shall include the goals and performance
6 standards identified in the application and other related requirements as
7 determined by the director.

8 (5) An iHub area may overlap with another iHub area if there is a
9 clear distinction between the industry focus areas of the iHubs involved,
10 except that no iHub located within a city of the metropolitan class shall
11 be located within three miles of another iHub.

12 (6) The department shall set guidelines for approval, designation,
13 operation, and reporting of iHubs.

14 (7) An iHub shall annually report to the director on its progress in
15 meeting the goals and performance standards as described in the iHub
16 application and the implementing memorandum of understanding with the
17 director. The report shall also include information regarding the number
18 of businesses served, the number of jobs created, and the amount of funds
19 raised by the iHub. The director shall annually post the information from
20 these reports on the department's website and provide notice to the
21 Governor and the Legislature that the information is available on the
22 website.

23 Sec. 36. Section 81-12,203, Revised Statutes Cumulative Supplement,
24 2022, is amended to read:

25 81-12,203 Project means expenses incurred or to be incurred at one
26 qualified location for:

27 (1) Site ~~site~~ acquisition and preparation, utility extensions, and
28 rail spur construction for the development of a new industrial rail
29 access business park, including any such expenses incurred to assist an
30 initial tenant at such business park that conducts business in the
31 manufacturing, processing, distribution, or transloading trades; or -

1 (2) Site acquisition and preparation and rail spur construction
2 within thirty miles of the largest reservoir in this state.

3 Sec. 37. Section 81-12,211, Revised Statutes Cumulative Supplement,
4 2022, is amended to read:

5 81-12,211 (1) Except as provided in subsection (2) of this section
6 Subject to section 81-12,213, an applicant shall, subject to section
7 81-12,213, be entitled to receive matching funds from the State of
8 Nebraska as follows:

9 (a) For any amount of investment up to two million five hundred
10 thousand dollars made by the applicant by the end of the transformational
11 period, the applicant shall be entitled to receive two dollars of
12 matching funds for each such dollar of investment; and

13 (b) For any amount of investment in excess of two million five
14 hundred thousand dollars made by the applicant by the end of the
15 transformational period, the applicant shall be entitled to receive five
16 dollars of matching funds for each such dollar of investment.

17 (2) For any project described in subdivision (2) of section
18 81-12,203, the applicant shall be entitled to receive up to five million
19 dollars of matching funds from the State of Nebraska without having to
20 make any investment in the project. Any amount of matching funds in
21 excess of five million dollars shall be paid in accordance with
22 subsection (1) of this section.

23 (3) (2) Subject to section 81-12,213, the state shall pay the
24 available matching funds to the applicant on an annual basis.

25 Sec. 38. Section 81-12,218, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 81-12,218 (1) The Nebraska Rural Projects Fund is hereby created.
28 The fund shall receive money from application fees paid under the
29 Nebraska Rural Projects Act and from transfers authorized by the
30 Legislature, grants, private contributions, repayments of matching funds,
31 and all other sources. Any money in the fund available for investment

1 shall be invested by the state investment officer pursuant to the
2 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
3 Act.

4 (2) Distributions of matching funds shall only be made from the fund
5 in amounts determined pursuant to ~~subsection (1)~~ of section 81-12,211.

6 Sec. 39. Section 81-12,238, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 81-12,238 Sections 81-12,238 to 81-12,244 and section 44 of this act
9 shall be known and may be cited as the Economic Recovery Act.

10 Sec. 40. Section 81-12,240, Revised Statutes Cumulative Supplement,
11 2022, is amended to read:

12 81-12,240 For purposes of the Economic Recovery Act: τ

13 (1) Economic redevelopment area means an area in the State of
14 Nebraska in which:

15 (a) The average rate of unemployment in the area during the period
16 covered by the most recent federal decennial census or American Community
17 Survey 5-Year Estimate by the United States Bureau of the Census is at
18 least one hundred fifty percent of the average rate of unemployment in
19 the state during the same period; and

20 (b) The average poverty rate in the area is twenty percent or more
21 for the federal census tract in the area; and

22 (2) Qualified ~~qualified~~ census tract means a qualified census tract
23 as defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on
24 January 1, 2022.

25 Sec. 41. Section 81-12,241, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 81-12,241 (1) A primary responsibility of the Economic Recovery and
28 Incentives Division of the Department of Economic Development shall be to
29 utilize federal or state funding to award grants as provided in this
30 section. For grants awarded under this section, the division shall pay a
31 grantee an advance of fifty percent of the total grant awarded with the

1 remaining grant funds paid on a monthly basis until the grant is paid in
2 full or by December 31, 2026, whichever occurs sooner. The division may
3 (a) require a grantee to return unused grant funds upon a documented
4 finding that such funds are not being used for the purpose for which the
5 grant was awarded or (b) reduce any future monthly payments by the amount
6 of such unused funds already paid. The division shall develop a
7 coordinated plan and a grant application and scoring process to award
8 grants under subsection (3) of this section.

9 (2) The division coordinated plan developed pursuant to this section
10 shall direct and prioritize the use of grants awarded under this section
11 toward the economic recovery of those communities and neighborhoods
12 within qualified census tracts or economic redevelopment areas located
13 within the boundaries of a city of the metropolitan class that were
14 disproportionately impacted by the COVID-19 public health emergency and
15 related challenges, with an emphasis on housing needs, assistance for
16 small businesses, job training, and business development within such
17 communities and neighborhoods. In prioritizing the use of grants awarded
18 within the boundaries of a city of the metropolitan class, the Economic
19 Recovery and Incentives Division shall ~~may~~ rely on any studies produced
20 pursuant to section 81-12,242. Not later than August 1, 2022, the
21 division shall submit a copy of an initial coordinated plan to the
22 Economic Recovery Special Committee of the Legislature. Not later than
23 December 1, 2022, the division shall submit a final copy of such
24 coordinated plan to the Economic Recovery Special Committee of the
25 Legislature.

26 (3)(a) The Economic Recovery and Incentives Division shall create a
27 Qualified Census Tract Recovery Grant Program to provide funding to
28 public and private entities located within qualified census tracts
29 throughout the state to respond to the negative impact of the COVID-19
30 public health emergency.

31 (b) Not to exceed ten million dollars in grants shall be distributed

1 under the grant program to eligible grantees in qualified census tracts
2 that are located in a city of the primary class.

3 (c) Not to exceed ten million dollars in grants shall be distributed
4 under the grant program to eligible grantees in qualified census tracts
5 that are located outside of a city of the metropolitan class or a city of
6 the primary class.

7 ~~(d)(i) (d)~~ All remaining funds shall be allocated for grants
8 distributed under the grant program to eligible grantees in qualified
9 census tracts that are located in a city of the metropolitan class, ~~with~~
10 ~~no less than thirty-five million dollars in such grants allocated to~~
11 ~~eligible grantees which are located south of Dodge Street and east of~~
12 ~~72nd Street in such city and no less than fifty-five million dollars in~~
13 ~~such grants allocated to eligible grantees which are located north of~~
14 ~~Dodge Street and east of 72nd Street in such city.~~

15 (ii) Any funds not applied for within such areas may be allocated
16 for grants to eligible grantees in any qualified census tract in such
17 city.

18 (4) In addition to grants under the Qualified Census Tract Recovery
19 Grant Program, the Economic Recovery and Incentives Division shall
20 provide grant funding for the following purposes:

21 (a) Not to exceed ninety ~~sixty~~ million dollars in grants to a
22 nonprofit economic development organization for the development of a
23 business park located within or adjacent to one or more qualified census
24 tracts located within the boundaries of a city of the metropolitan class
25 and within two miles of a major airport as defined in section 13-3303. An
26 innovation hub as defined in section 81-12,108 shall not qualify for a
27 grant under this subdivision;

28 (b) Not to exceed thirty million dollars in grants to one or more
29 innovation hubs located within or adjacent to ~~in~~ one or more qualified
30 census tracts and within two miles of a major airport as defined in
31 section 13-3303 providing services and resources within qualified census

1 tracts located within the boundaries of a city of the metropolitan class;

2 (c) Not to exceed three million dollars in grants in fiscal year
3 2022-23 and not to exceed three million dollars in fiscal year 2023-24 to
4 a nonprofit organization partnering with a city of the metropolitan class
5 for the purpose of providing internships and crime prevention within
6 qualified census tracts located within the boundaries of such city;

7 (d) Not to exceed five million dollars in grants pursuant to the
8 purposes of the Nebraska Film Office Fund on or before June 30, 2023, for
9 the purpose of producing a film on Chief Standing Bear, a portion of
10 which is to be filmed in one or more qualified census tracts located
11 within the boundaries of a city of the metropolitan class;

12 (e) Not to exceed twenty million dollars in grants to public or
13 private entities to prepare land parcels for affordable housing or
14 conduct other eligible affordable housing interventions under the federal
15 American Rescue Plan Act of 2021 including production, rehabilitation,
16 and preservation of affordable rental housing and affordable
17 homeownership units within qualified census tracts which are located in a
18 city of the metropolitan class;

19 (f) Not to exceed twenty million dollars in grants to public or
20 private entities to prepare land parcels for affordable housing or
21 conduct other eligible affordable housing interventions under the federal
22 American Rescue Plan Act of 2021 including production, rehabilitation,
23 and preservation of affordable rental housing and affordable
24 homeownership units within qualified census tracts which are located in a
25 city of the primary class;

26 (g) Not to exceed five million dollars in grants to a county
27 agricultural society with facilities within a city of the primary class
28 to recoup lost revenue; and

29 (h) Not to exceed one million dollars in grants to a postsecondary
30 institution located in a qualified census tract in a city of the
31 metropolitan class to provide funding for a financial literacy program to

1 improve economic and health outcomes for individuals residing in
2 qualified census tracts.

3 (5) For purposes of subdivisions (4)(e) and (f) of this section,
4 preparing land parcels shall include:

5 (a) Costs and fees associated with legal land surveys and structural
6 assessments;

7 (b) ~~(a)~~ Laying drinking water mains, lines, pipes, or channels;

8 (c) Development of access to essential utilities, such as sanitary
9 sewer, electric, gas, and high-speed Internet;

10 (d) ~~(b)~~ Rehabilitation, renovation, maintenance, or other costs to
11 secure vacant or abandoned properties in disproportionately impacted
12 communities;

13 (e) ~~(c)~~ Acquiring and securing legal title of vacant or abandoned
14 properties in disproportionately impacted communities;

15 (f) Testing, removal, ~~(d) Removal~~ and remediation of environmental
16 contaminants or hazards from vacant or abandoned properties in
17 disproportionately impacted communities when conducted in compliance with
18 applicable environmental laws or regulations;

19 (g) ~~(e)~~ Demolition or deconstruction of vacant or abandoned
20 buildings in disproportionately impacted communities; and

21 (h) ~~(f)~~ Costs associated with inspection fees and other
22 administrative costs incurred to ensure compliance with applicable
23 environmental laws and regulations for demolition or other remediation
24 activities in disproportionately impacted communities.

25 (6) All grants made by the Economic Recovery and Incentives Division
26 utilizing federal funds allocated to the State of Nebraska from the
27 federal Coronavirus State Fiscal Recovery Fund under the federal American
28 Rescue Plan Act of 2021 shall meet the eligible uses under such act and
29 any relevant guidance on the use of such funds by the United States
30 Department of the Treasury.

31 (7) All grants made by the Economic Recovery and Incentives Division

1 utilizing state funds to carry out subsection (2) of section 81-1239 are
2 subject to the intent and basic parameters of the federal American Rescue
3 Plan Act of 2021 but are not subject to meet the time restraints for
4 allocation and spending of funds or the federal reporting requirements
5 indicated in the federal American Rescue Plan Act of 2021.

6 Sec. 42. Section 81-12,243, Revised Statutes Cumulative Supplement,
7 2022, is amended to read:

8 81-12,243 ~~(1)~~—The Economic Recovery Contingency Fund is created.
9 The fund shall consist of transfers by the Legislature to carry out the
10 Economic Recovery Act. Any money in the fund available for investment
11 shall be invested by the state investment officer pursuant to the
12 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
13 Act. Investment earnings on and after July 1, 2023, shall be credited to
14 the fund.

15 ~~(2) No funds shall be expended from the Economic Recovery~~
16 ~~Contingency Fund until the Economic Recovery and Incentives Division of~~
17 ~~the Department of Economic Development has submitted a final copy of its~~
18 ~~coordinated plan to the Economic Recovery Special Committee of the~~
19 ~~Legislature pursuant to section 81-12,241 and to the budget administrator~~
20 ~~of the budget division of the Department of Administrative Services.~~

21 Sec. 43. Section 81-12,244, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 81-12,244 (1) It is the intent of the Legislature to appropriate ten
24 ~~two hundred fifty~~ million dollars from the General Fund ~~federal funds~~ for
25 fiscal year 2023-24 ~~2022-23~~ to the Department of Economic Development to
26 carry out the Economic Recovery Act. ~~The federal funds described in this~~
27 ~~subsection are the funds allocated to the State of Nebraska from the~~
28 ~~federal Coronavirus State Fiscal Recovery Fund pursuant to the federal~~
29 ~~American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended. The~~
30 department may use not more than ten million dollars of such money
31 ~~federal funds~~ for the administration of the Economic Recovery Act.

1 ~~(2) Of the intended appropriation described in subsection (1) of~~
2 ~~this section, eighty million dollars of such federal funds shall not be~~
3 ~~expended by the Department of Economic Development until the Economic~~
4 ~~Recovery and Incentives Division of the department has submitted a final~~
5 ~~copy of its coordinated plan to the Economic Recovery Special Committee~~
6 ~~of the Legislature pursuant to section 81-12,241.~~

7 (2) ~~(3)~~ The State Treasurer shall transfer (a) any interest earned
8 after April 19, 2022, on federal funds allocated to the State of Nebraska
9 from the federal Coronavirus State Fiscal Recovery Fund pursuant to the
10 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, to
11 the Economic Recovery Contingency Fund between June 1, 2023, and June 30,
12 2023, and on or before June 30 each year thereafter, on such dates and in
13 such amounts as directed by the budget administrator of the budget
14 division of the Department of Administrative Services and (b) any
15 investment earnings from the investment of money in (i) the Perkins
16 County Canal Project Fund pursuant to section 61-305 and (ii) the
17 Nebraska Capital Construction Fund from transfers credited to such fund
18 that are designated for the construction of a new state prison pursuant
19 to section 72-1001 to the Economic Recovery Contingency Fund between June
20 1, 2023, and June 30, 2023, and on or before June 30 each year thereafter
21 through June 30, 2026, on such dates and in such amounts as directed by
22 the budget administrator of the budget division of the Department of
23 Administrative Services.

24 (3) ~~(4)~~ It is the intent of the Legislature that any unobligated
25 amount as of July 1, 2024, of the federal funds allocated to the State of
26 Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant
27 to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as
28 amended, be appropriated to the Department of Economic Development to
29 carry out the Economic Recovery Act no later than August 1, 2024.

30 (4) ~~(5)~~ It is the intent of the Legislature to appropriate ten
31 million dollars from the General Fund to the Department of Economic

1 Development for fiscal year 2022-23 to provide grants under the Economic
2 Recovery Act.

3 ~~(5) (6)~~ It is the intent of the Legislature to transfer ten million
4 dollars from the General Fund to the Economic Recovery Contingency Fund
5 for fiscal year 2023-24 and ten million dollars from the General Fund to
6 the Economic Recovery Contingency Fund for fiscal year 2024-25 to provide
7 grants under the Economic Recovery Act.

8 ~~(7) The Department of Economic Development shall not use money from~~
9 ~~the General Fund to implement or administer the grants provided under the~~
10 ~~Economic Recovery Act.~~

11 Sec. 44. (1)(a) The Economic Recovery and Incentives Division of
12 the Department of Economic Development shall create and administer the
13 North and South Omaha Recovery Grant Program to provide grants as
14 provided in this section to public and private entities to respond to the
15 negative impact of the COVID-19 public health emergency and build
16 resilient and innovative communities.

17 (b) To be eligible for a grant under the North and South Omaha
18 Recovery Grant Program, a project shall:

19 (i) Be listed in the coordination plan or appendices by the Economic
20 Recovery Special Committee of the Legislature dated January 10, 2023; and

21 (ii) Explain how the grant will relieve the negative impact of the
22 COVID-19 public health emergency within a qualified census tract or an
23 economic redevelopment area located within the boundaries of a city of
24 the metropolitan class and build resilient and innovative communities,
25 with a priority on small business development, job creation, and economic
26 development within such communities.

27 (2) When considering projects for grants under this section, the
28 division shall use the coordination plan and appendices, dated January
29 10, 2023. Projects that would benefit communities and neighborhoods
30 within qualified census tracts or economic redevelopment areas located
31 within the boundaries of a city of the metropolitan class with a priority

1 on small business development, job creation, and economic development
2 within such communities and neighborhoods shall be prioritized.

3 (3) The division shall award additional grants for the following
4 purposes:

5 (a) Not to exceed twenty million dollars in grants for the purpose
6 of creating a museum located in one or more qualified census tracts
7 located within the boundaries of a city of the metropolitan class and
8 that is named in honor of a person inducted into the Nebraska Hall of
9 Fame on or before September 1, 2023; and

10 (b) Not to exceed twenty million dollars in grants to federally
11 qualified health centers located in a city of the metropolitan class.
12 Such grants shall be used for persons receiving services under
13 subsections (g), (h), or (i) of section 330 of the federal Public Health
14 Service Act, 42 U.S.C. 254b, as such section existed on January 1, 2023.

15 (4) For grants awarded under this section, the division shall pay a
16 grantee an advance of fifty percent of the total grant awarded with the
17 remaining grant funds paid on a monthly basis until the grant is paid in
18 full or by December 31, 2027, whichever occurs sooner. If a grantee does
19 not use the grant funds paid, the division may (a) require such grantee
20 to return such unused grant funds upon a documented finding that such
21 funds have not been used or (b) reduce any future monthly payments by the
22 amount of such unused grant funds already paid.

23 Sec. 45. Section 84-612, Revised Statutes Cumulative Supplement,
24 2022, is amended to read:

25 84-612 (1) There is hereby created within the state treasury a fund
26 known as the Cash Reserve Fund which shall be under the direction of the
27 State Treasurer. The fund shall only be used pursuant to this section.

28 (2) The State Treasurer shall transfer funds from the Cash Reserve
29 Fund to the General Fund upon certification by the Director of
30 Administrative Services that the current cash balance in the General Fund
31 is inadequate to meet current obligations. Such certification shall

1 include the dollar amount to be transferred. Any transfers made pursuant
2 to this subsection shall be reversed upon notification by the Director of
3 Administrative Services that sufficient funds are available.

4 (3) In addition to receiving transfers from other funds, the Cash
5 Reserve Fund shall receive federal funds received by the State of
6 Nebraska for undesignated general government purposes, federal revenue
7 sharing, or general fiscal relief of the state.

8 (4) The State Treasurer shall transfer fifty-four million seven
9 hundred thousand dollars on or after July 1, 2019, but before June 15,
10 2021, from the Cash Reserve Fund to the Nebraska Capital Construction
11 Fund on such dates and in such amounts as directed by the budget
12 administrator of the budget division of the Department of Administrative
13 Services.

14 (5) The State Treasurer shall transfer two hundred fifteen million
15 five hundred eighty thousand dollars from the Cash Reserve Fund to the
16 Nebraska Capital Construction Fund on or after July 1, 2022, but before
17 June 15, 2023, on such dates and in such amounts as directed by the
18 budget administrator of the budget division of the Department of
19 Administrative Services.

20 (6) The State Treasurer shall transfer fifty-three million five
21 hundred thousand dollars from the Cash Reserve Fund to the Perkins County
22 Canal Project Fund on or before June 30, 2023, on such dates and in such
23 amounts as directed by the budget administrator of the budget division of
24 the Department of Administrative Services.

25 (7) No funds shall be transferred from the Cash Reserve Fund to
26 fulfill the obligations created under the Nebraska Property Tax Incentive
27 Act unless the balance in the Cash Reserve Fund after such transfer will
28 be at least equal to five hundred million dollars.

29 (8) The State Treasurer shall transfer thirty million dollars from
30 the Cash Reserve Fund to the Military Base Development and Support Fund
31 on or before June 30, 2023, but not before July 1, 2022, on such dates

1 and in such amounts as directed by the budget administrator of the budget
2 division of the Department of Administrative Services.

3 (9) The State Treasurer shall transfer eight million three hundred
4 thousand dollars from the Cash Reserve Fund to the Trail Development and
5 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on
6 such dates and in such amounts as directed by the budget administrator of
7 the budget division of the Department of Administrative Services.

8 (10) The State Treasurer shall transfer fifty million dollars from
9 the Cash Reserve Fund to the Nebraska Rural Projects Fund on or after
10 July 1, 2022, but before July 15, 2023, on such dates and in such amounts
11 as directed by the budget administrator of the budget division of the
12 Department of Administrative Services.

13 (11) The State Treasurer shall transfer thirty million dollars from
14 the Cash Reserve Fund to the Rural Workforce Housing Investment Fund on
15 or after July 1, 2022, but before July 15, 2023, on such dates and in
16 such amounts as directed by the budget administrator of the budget
17 division of the Department of Administrative Services.

18 (12) The State Treasurer shall transfer twenty million dollars from
19 the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July
20 1, 2022, but before June 15, 2023, on such dates and in such amounts as
21 directed by the budget administrator of the budget division of the
22 Department of Administrative Services.

23 (13) The State Treasurer shall transfer twenty million dollars from
24 the Cash Reserve Fund to the Middle Income Workforce Housing Investment
25 Fund on July 15, 2022, or as soon thereafter as administratively
26 possible, and in such amounts as directed by the budget administrator of
27 the budget division of the Department of Administrative Services.

28 (14) The State Treasurer shall transfer eighty million dollars from
29 the Cash Reserve Fund to the Jobs and Economic Development Initiative
30 Fund on or after July 1, 2022, but before July 15, 2023, on such dates
31 and in such amounts as directed by the budget administrator of the budget

1 division of the Department of Administrative Services.

2 (15) The State Treasurer shall transfer twenty million dollars from
3 the Cash Reserve Fund to the Site and Building Development Fund on July
4 15, 2022, or as soon thereafter as administratively possible, and in such
5 amounts as directed by the budget administrator of the budget division of
6 the Department of Administrative Services.

7 (16) The State Treasurer shall transfer fifty million dollars from
8 the Cash Reserve Fund to the Surface Water Irrigation Infrastructure Fund
9 on or after July 15, 2022, but before January 1, 2023, on such dates and
10 in such amounts as directed by the budget administrator of the budget
11 division of the Department of Administrative Services.

12 (17) The State Treasurer shall transfer fifteen million dollars from
13 the Cash Reserve Fund to the Site and Building Development Fund on or
14 before June 30, 2022, on such dates and in such amounts as directed by
15 the budget administrator of the budget division of the Department of
16 Administrative Services.

17 (18) The State Treasurer shall transfer fifty-five million dollars
18 from the Cash Reserve Fund to the Economic Recovery Contingency Fund on
19 or before June 30, 2022, on such dates and in such amounts as directed by
20 the budget administrator of the budget division of the Department of
21 Administrative Services.

22 (19) The State Treasurer shall transfer ten million dollars from the
23 Cash Reserve Fund to the General Fund as soon as administratively
24 possible after the effective date of this act, on such dates and in such
25 amounts as directed by the budget administrator of the budget division of
26 the Department of Administrative Services.

27 (20) The State Treasurer shall transfer one million dollars from the
28 Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as
29 administratively possible after the effective date of this act, on such
30 dates and in such amounts as directed by the budget administrator of the
31 budget division of the Department of Administrative Services.

1 Sec. 46. (1) The Game and Parks Commission shall construct,
2 develop, and manage a museum and visitor center honoring Chief Standing
3 Bear.

4 (2) It is the intent of the Legislature to appropriate to the Game
5 and Parks Commission for the Chief Standing Bear Museum and visitor
6 center:

7 (a) Not more than fifteen million dollars for fiscal year 2025-26
8 from investment earnings from the Perkins County Canal Project Fund and
9 credited to the Economic Recovery Contingency Fund as provided in section
10 61-305 for construction of the museum and visitor center;

11 (b) Seven hundred fifty thousand dollars for fiscal year 2025-26
12 from investment earnings from the Perkins County Canal Project Fund and
13 credited to the Economic Recovery Contingency Fund as provided in section
14 61-305 for exhibit fabrication and historical interpretation; and

15 (c) Two hundred thousand dollars in fiscal year 2025-26 for
16 staffing.

17 (3) The Game and Parks Commission may execute a memorandum of
18 understanding or contract with the Nebraska State Historical Society for
19 purposes of museum and visitor center development, exhibit fabrication,
20 and historical interpretation.

21 Sec. 47. If any section in this act or any part of any section is
22 declared invalid or unconstitutional, the declaration shall not affect
23 the validity or constitutionality of the remaining portions.

24 Sec. 48. Original sections 16-312, 16-404, 16-503, 17-110, 17-614,
25 18-2101, 18-2101.02, 18-2105, 18-2109, 18-2117.01, 18-2117.02,
26 18-2142.05, 18-2147, 18-2155, 19-5504, 19-5505, 58-209.01, and 72-1001,
27 Reissue Revised Statutes of Nebraska, and sections 61-305, 76-3602,
28 76-3603, 76-3604, 81-1237, 81-1238, 81-1239, 81-1240, 81-1243, 81-12,109,
29 81-12,110, 81-12,203, 81-12,211, 81-12,218, 81-12,238, 81-12,240,
30 81-12,241, 81-12,243, 81-12,244, and 84-612, Revised Statutes Cumulative
31 Supplement, 2022, are repealed.

1 Sec. 49. Since an emergency exists, this act takes effect when
2 passed and approved according to law.