

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1252

Introduced by Vargas, 7.

Read first time January 20, 2022

Committee: Appropriations

- 1 A BILL FOR AN ACT relating to appropriations; to appropriate funds to the
- 2 Department of Economic Development; and to declare an emergency.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) The Legislature hereby finds and declares that:

2 (a) The COVID-19 public health emergency has disrupted all areas of
3 Nebraska's economy at unprecedented levels;

4 (b) Workforce development will be a primary driver for Nebraska's
5 economic recovery from the COVID-19 public health emergency;

6 (c) The COVID-19 public health emergency has created a workforce
7 shortage across the country and in Nebraska;

8 (d) It is estimated that there are over fifty thousand available and
9 unfilled jobs in the state but less than twenty thousand people seeking
10 jobs;

11 (e) Employers and potential new employees face a housing shortage,
12 which stands in the way of new opportunities;

13 (f) The COVID-19 public health emergency has led to inflated cost
14 for housing materials for workforce housing units, specifically those
15 activities related to demolition and water and sewer infrastructure,
16 which impacts the ability of Nebraska's urban communities to recruit and
17 retain workforce and hampers the ability of communities to maintain and
18 develop viable, stable, and thriving economies;

19 (g) The COVID-19 public health emergency and resulting inflation
20 have also caused the costs for new housing in urban areas to grow faster
21 than Nebraska incomes; and

22 (h) In order to develop middle-income housing options that lead to
23 the recruitment and retention of a workforce in Nebraska's urban
24 communities, new and existing resources to support creation of workforce
25 housing funds are needed. Such funds should be used to address the
26 negative economic impact of the COVID-19 public health emergency by
27 facilitating and encouraging development of affordable middle-income
28 housing in Nebraska's underserved urban areas.

29 (2) There is hereby appropriated \$20,000,000 from Federal Funds for
30 FY2022-23 to the Department of Economic Development for the purposes
31 described in subsection (3) of this section. The Federal Funds

1 appropriated in this section are from the funds allocated to the State of
2 Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant
3 to the federal American Rescue Plan Act of 2021, Public Law 117-2,
4 Subtitle M, Sec. 9901.

5 (3)(a) The Department of Economic Development shall use the funds
6 appropriated in this section to award grants for development of middle-
7 income housing in urban areas authorized by the Middle Income Workforce
8 Housing Investment Act.

9 (b) The Department of Economic Development may create a program to
10 administer the grants awarded pursuant to this section.

11 (c) Any program created by the Department of Economic Development
12 shall be coordinated and administered in compliance with the federal
13 American Rescue Plan Act of 2021.

14 Sec. 2. (1) The Legislature hereby finds and declares that:

15 (a) The COVID-19 public health emergency has disrupted all areas of
16 Nebraska's economy at unprecedented levels;

17 (b) Workforce development will be a primary driver for Nebraska's
18 economic recovery from the COVID-19 public health emergency;

19 (c) The COVID-19 public health emergency has created a workforce
20 shortage across the country and in Nebraska;

21 (d) It is estimated that there are over fifty thousand available and
22 unfilled jobs in the state but less than twenty thousand people seeking
23 jobs;

24 (e) Employers and potential new employees face a housing shortage,
25 which stands in the way of new opportunities;

26 (f) The COVID-19 public health emergency has led to inflated cost
27 for housing materials for workforce housing units, specifically those
28 activities related to demolition and water and sewer infrastructure,
29 which impacts the ability of Nebraska's urban communities to recruit and
30 retain workforce and hampers the ability of communities to maintain and
31 develop viable, stable, and thriving economies;

1 (g) The COVID-19 public health emergency and resulting inflation
2 have also caused the costs for new housing in urban areas to grow faster
3 than Nebraska incomes; and

4 (h) In order to develop middle-income housing options that lead to
5 the recruitment and retention of a workforce in Nebraska's urban
6 communities, new and existing resources to support creation of workforce
7 housing funds are needed. Such funds should be used to address the
8 negative economic impact of the COVID-19 public health emergency by
9 facilitating and encouraging development of affordable middle-income
10 housing in Nebraska's underserved urban areas.

11 (2) There is hereby appropriated \$20,000,000 from the General Fund
12 for FY2022-23 to the Department of Economic Development for the purposes
13 described in subsection (3) of this section.

14 (3)(a) The Department of Economic Development shall use the funds
15 appropriated in this section to award grants for development of middle-
16 income housing in urban areas authorized by the Middle Income Workforce
17 Housing Investment Act.

18 (b) The Department of Economic Development may create a program to
19 administer the grants awarded pursuant to this section.

20 Sec. 3. Since an emergency exists, this act takes effect when
21 passed and approved according to law.