

AMENDMENTS TO LB531

(Amendments to Standing Committee amendments, AM1128)

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. Section 81-12,224, Revised Statutes Cumulative
5 Supplement, 2022, is amended to read:

6 81-12,224 (1) The Shovel-Ready Capital Recovery and Investment Fund
7 is created. The fund shall consist of transfers authorized by the
8 Legislature and any gifts, grants, or bequests from any source, including
9 federal, state, public, and private sources. The fund shall be
10 administered by the department and shall be used to (a) make grants under
11 the Shovel-Ready Capital Recovery and Investment Act and (b) provide a
12 grant to an entity formed pursuant to the Interlocal Cooperation Act to
13 fund a portion of the cost of constructing a wastewater system. Any money
14 in the fund available for investment shall be invested by the state
15 investment officer pursuant to the Nebraska Capital Expansion Act and the
16 Nebraska State Funds Investment Act.

17 (2) It is the intent of the Legislature to appropriate fifteen
18 million dollars from the Shovel-Ready Capital Recovery and Investment
19 Fund for fiscal year 2023-24 for the purpose described in subdivision (1)
20 (b) of this section.

21 Sec. 2. Section 81-12,238, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 81-12,238 Sections 81-12,238 to 81-12,244 and section 7 of this act
24 shall be known and may be cited as the Economic Recovery Act.

25 Sec. 3. Section 81-12,240, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

1 81-12,240 For purposes of the Economic Recovery Act: ~~7~~

2 (1) Economic redevelopment area means an area in the State of
3 Nebraska in which:

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

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

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

14 Sec. 4. Section 81-12,241, Revised Statutes Cumulative Supplement,
15 2022, is amended to read:

16 81-12,241 (1) A primary responsibility of the Economic Recovery and
17 Incentives Division of the Department of Economic Development shall be to
18 utilize federal or state funding to award grants as provided in this
19 section. ~~The division shall develop a coordinated plan and a grant~~
20 ~~application and scoring process to award grants under subsection (3) of~~
21 ~~this section.~~

22 (2) The division ~~coordinated plan developed pursuant to this section~~
23 shall direct and prioritize the use of grants awarded under this section
24 toward the economic recovery of those communities and neighborhoods
25 within qualified census tracts located within the boundaries of a city of
26 the metropolitan class that were disproportionately impacted by the
27 COVID-19 public health emergency and related challenges, with an emphasis
28 on housing needs, assistance for small businesses, job training, and
29 business development within such communities and neighborhoods. In
30 prioritizing the use of grants awarded within the boundaries of a city of
31 the metropolitan class, the Economic Recovery and Incentives Division

1 ~~shall~~ may rely on any studies produced pursuant to section 81-12,242. ~~Not~~
2 ~~later than August 1, 2022, the division shall submit a copy of an initial~~
3 ~~coordinated plan to the Economic Recovery Special Committee of the~~
4 ~~Legislature. Not later than December 1, 2022, the division shall submit a~~
5 ~~final copy of such coordinated plan to the Economic Recovery Special~~
6 ~~Committee of the Legislature.~~

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

12 (b) Not to exceed ten million dollars in grants shall be distributed
13 under the grant program to eligible grantees in qualified census tracts
14 that are located in a city of the primary class.

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

19 ~~(d)(i) (d)~~ All remaining funds shall be allocated for grants
20 distributed under the grant program to eligible grantees in qualified
21 census tracts that are located in a city of the metropolitan class, ~~with~~
22 ~~no less than thirty-five million dollars in such grants allocated to~~
23 ~~eligible grantees which are located south of Dodge Street and east of~~
24 ~~72nd Street in such city and no less than fifty-five million dollars in~~
25 ~~such grants allocated to eligible grantees which are located north of~~
26 ~~Dodge Street and east of 72nd Street in such city.~~

27 ~~(ii)~~ Any funds not applied for within such areas may be allocated
28 for grants to eligible grantees in any qualified census tract in such
29 city.

30 (4) In addition to grants under the Qualified Census Tract Recovery
31 Grant Program, the Economic Recovery and Incentives Division shall

1 provide grant funding for the following purposes:

2 (a) Not to exceed one hundred sixty million dollars in grants to a
3 nonprofit economic development organization for the development of a
4 business park located within or adjacent to one or more qualified census
5 tracts located within the boundaries of a city of the metropolitan class
6 and within two miles of a major airport as defined in section 13-3303;

7 (b) Not to exceed thirty million dollars in grants to one or more
8 innovation hubs located in one or more qualified census tracts and within
9 two miles of a major airport as defined in section 13-3303 providing
10 services and resources within qualified census tracts located within the
11 boundaries of a city of the metropolitan class;

12 (c) Not to exceed three million dollars in grants in fiscal year
13 2022-23 and not to exceed three million dollars in fiscal year 2023-24 to
14 a nonprofit organization partnering with a city of the metropolitan class
15 for the purpose of providing internships and crime prevention within
16 qualified census tracts located within the boundaries of such city;

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

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

29 (f) Not to exceed twenty million dollars in grants to public or
30 private entities to prepare land parcels for affordable housing or
31 conduct other eligible affordable housing interventions under the federal

1 American Rescue Plan Act of 2021 including production, rehabilitation,
2 and preservation of affordable rental housing and affordable
3 homeownership units within qualified census tracts which are located in a
4 city of the primary class;

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

8 (h) Not to exceed one million dollars in grants to a postsecondary
9 institution located in a qualified census tract in a city of the
10 metropolitan class to provide funding for a financial literacy program to
11 improve economic and health outcomes for individuals residing in
12 qualified census tracts.

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

15 (a) Laying drinking water mains, lines, pipes, or channels;

16 (b) Rehabilitation, renovation, maintenance, or other costs to
17 secure vacant or abandoned properties in disproportionately impacted
18 communities;

19 (c) Acquiring and securing legal title of vacant or abandoned
20 properties in disproportionately impacted communities;

21 (d) Removal and remediation of environmental contaminants or hazards
22 from vacant or abandoned properties in disproportionately impacted
23 communities when conducted in compliance with applicable environmental
24 laws or regulations;

25 (e) Demolition or deconstruction of vacant or abandoned buildings in
26 disproportionately impacted communities; and

27 (f) Costs associated with inspection fees and other administrative
28 costs incurred to ensure compliance with applicable environmental laws
29 and regulations for demolition or other remediation activities in
30 disproportionately impacted communities.

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

1 utilizing federal funds allocated to the State of Nebraska from the
2 federal Coronavirus State Fiscal Recovery Fund under the federal American
3 Rescue Plan Act of 2021 shall meet the eligible uses under such act and
4 any relevant guidance on the use of such funds by the United States
5 Department of the Treasury.

6 Sec. 5. 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. 6. 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
24 three two hundred sixty-five ~~fifty~~ million dollars from the General Fund
25 ~~federal funds~~ for fiscal year 2023-24 ~~2022-23~~ to the Department of
26 Economic Development to carry out the Economic Recovery Act. ~~The federal~~
27 ~~funds described in this subsection are the funds allocated to the State~~
28 ~~of Nebraska from the federal Coronavirus State Fiscal Recovery Fund~~
29 ~~pursuant to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802,~~
30 ~~as amended.~~ The department may use not more than ten million dollars of
31 such money ~~federal funds~~ for the administration of the Economic Recovery

1 Act.

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

8 ~~(2)~~ (3) The State Treasurer shall transfer any interest earned after
9 April 19, 2022, on federal funds allocated to the State of Nebraska from
10 the federal Coronavirus State Fiscal Recovery Fund pursuant to the
11 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, to
12 the Economic Recovery Contingency Fund between June 1, 2023, and June 30,
13 2023, and on or before June 30 each year thereafter, on such date dates
14 ~~and in such amounts~~ as directed by the budget administrator of the budget
15 division of the Department of Administrative Services.

16 (3) ~~(4)~~ It is the intent of the Legislature that any unobligated
17 amount as of July 1, 2024, of the federal funds allocated to the State of
18 Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant
19 to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as
20 amended, be appropriated to the Department of Economic Development to
21 carry out the Economic Recovery Act no later than August 1, 2024.

22 (4) ~~(5)~~ It is the intent of the Legislature to appropriate ten
23 million dollars from the General Fund to the Department of Economic
24 Development for fiscal year 2022-23 to provide grants under the Economic
25 Recovery Act.

26 (5) ~~(6)~~ It is the intent of the Legislature to transfer ten million
27 dollars from the General Fund to the Economic Recovery Contingency Fund
28 for fiscal year 2023-24 and ten million dollars from the General Fund to
29 the Economic Recovery Contingency Fund for fiscal year 2024-25 to provide
30 grants under the Economic Recovery Act.

31 ~~(7) The Department of Economic Development shall not use money from~~

1 ~~the General Fund to implement or administer the grants provided under the~~
2 ~~Economic Recovery Act.~~

3 Sec. 7. (1)(a) The Economic Recovery and Incentives Division of the
4 Department of Economic Development shall create and administer the North
5 and South Omaha Recovery Grant Program to provide grants to public and
6 private entities to respond to the negative impact of the COVID-19 public
7 health emergency and build resilient and innovative communities.

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

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

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

18 (2) When considering projects for grants under this section, the
19 Economic Recovery and Incentives Division of the Department of Economic
20 Development shall use the coordination plan and appendixes, dated January
21 10, 2023. Projects that would benefit communities and neighborhoods
22 within qualified census tracts or economic redevelopment areas located
23 within the boundaries of a city of the metropolitan class with a priority
24 on small business development, job creation, and economic development
25 within such communities and neighborhoods shall be prioritized.

26 (3) The Economic Recovery and Incentives Division of the Department
27 of Economic Development shall award additional grants for the following
28 purposes:

29 (a) Not to exceed twenty million dollars in grants for the purpose
30 of creating a museum located in one or more qualified census tracts
31 located within the boundaries of a city of the metropolitan class and

1 that is named in honor of a person inducted into the Nebraska Hall of
2 Fame on or before June 30, 2023;

3 (b) Not to exceed twenty million dollars in grants to federally
4 qualified health centers located in a city of the metropolitan class.
5 Such grants shall be used for persons receiving services under
6 subsections (g), (h), and (i) of section 330 of the federal Public Health
7 Services Act, 42 U.S.C. 254b, as such section existed on January 1, 2023;
8 and

9 (c) Not to exceed fifteen million dollars for contracted services
10 for program management for the North and South Omaha Recovery Grant
11 Program and the Qualified Census Tract Recovery Grant Program provided in
12 a city of the metropolitan class. No person providing such contracted
13 services shall have any conflict of interest or contractual relationship
14 with any recipient of a grant under the North and South Omaha Recovery
15 Grant Program or the Qualified Census Tract Recovery Grant Program.

16 (4) The Economic Recovery and Incentives Division of the Department
17 of Economic Development shall (a) request projects for grants to be
18 awarded under this section beginning no later than sixty days after the
19 effective date of this act and (b) publicly announce grants awarded under
20 this section beginning no later than ninety days after the effective date
21 of this act.

22 Sec. 8. Section 84-612, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 84-612 (1) There is hereby created within the state treasury a fund
25 known as the Cash Reserve Fund which shall be under the direction of the
26 State Treasurer. The fund shall only be used pursuant to this section.

27 (2) The State Treasurer shall transfer funds from the Cash Reserve
28 Fund to the General Fund upon certification by the Director of
29 Administrative Services that the current cash balance in the General Fund
30 is inadequate to meet current obligations. Such certification shall
31 include the dollar amount to be transferred. Any transfers made pursuant

1 to this subsection shall be reversed upon notification by the Director of
2 Administrative Services that sufficient funds are available.

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

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

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

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

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

28 (8) The State Treasurer shall transfer thirty million dollars from
29 the Cash Reserve Fund to the Military Base Development and Support Fund
30 on or before June 30, 2023, but not before July 1, 2022, 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 (9) The State Treasurer shall transfer eight million three hundred
3 thousand dollars from the Cash Reserve Fund to the Trail Development and
4 Maintenance Fund on or after July 1, 2022, but before July 30, 2022, on
5 such dates and in such amounts as directed by the budget administrator of
6 the budget division of the Department of Administrative Services.

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

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

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

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

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

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

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

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

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

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

26 (20) The State Treasurer shall transfer fifteen million dollars from
27 the Cash Reserve Fund to the Shovel-Ready Capital Recovery and Investment
28 Fund as soon as administratively possible after the effective date of
29 this act, on such dates and in such amounts as directed by the budget
30 administrator of the budget division of the Department of Administrative
31 Services.

1 Sec. 9. On or before September 30, 2023, the Department of Natural
2 Resources shall award a grant of one hundred eighty million dollars to a
3 city of the primary class. Eligible expenses for the funding from this
4 grant include costs for a water treatment plant; water treatment,
5 transmission, and distribution in furtherance of supplying additional
6 water; land acquisition; permitting; a wellfield; and pumping and
7 transportation of water over twenty-five miles for the purpose of
8 providing potable water to such city of the primary class. The department
9 shall develop criteria and procedures that are consistent with projects
10 and eligibility listed in 40 C.F.R. 35.3520. The grant awarded under this
11 section shall be conditioned on the city's compliance with such criteria
12 and procedures.

13 Sec. 10. Original sections 81-12,224, 81-12,238, 81-12,240,
14 81-12,241, 81-12,243, 81-12,244, and 84-612, Revised Statutes Cumulative
15 Supplement, 2022, are repealed.

16 Sec. 11. Since an emergency exists, this act takes effect when
17 passed and approved according to law.