

AMENDMENTS TO LB164

Introduced by McKinney, 11.

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

3 Section 1. Section 13-3301, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 13-3301 Sections 13-3301 to 13-3313 and sections 8, 9, and 10 of
6 this act shall be known and may be cited as the Municipal Inland Port
7 Authority Act.

8 Sec. 2. Section 13-3302, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-3302 The Legislature finds and declares as follows:

11 (1) Nebraska is ideally situated as a potential industrial,
12 innovation, and logistical hub for multiple industries across the rest of
13 the country. The state is home to major railroads and trucking firms, and
14 is within a two-day drive to major cities on the east coast, west coast,
15 Mexico, and Canada;

16 (2) Increasingly, major companies looking to locate their
17 headquarters or expand operations seek large shovel-ready commercial and
18 industrial sites, commonly referred to as mega sites;

19 (3) Nebraska ~~currently~~ lacks sufficient ~~the~~ economic development
20 tools necessary to acquire and develop large shovel-ready commercial and
21 industrial sites and innovation districts, and the creation of one or
22 more inland port authorities in Nebraska will ~~could~~ serve as a mechanism
23 to develop such sites;~~and~~

24 (4) In addition to the development of large shovel-ready commercial
25 and industrial sites and innovation districts, the creation of ~~one or~~
26 ~~more~~ inland port authorities will ~~could~~ serve as a regional merging point
27 for multi-modal transportation and distribution of goods to and from

1 ports and other locations in other regions; and -

2 (5) Inland port authorities will serve as a vital resource for
3 stimulating and supporting tourism, entrepreneurship, and technology-
4 based small businesses in this state.

5 Sec. 3. Section 13-3304, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 13-3304 (1) Any city which encompasses an area greater than three
8 hundred acres eligible to be designated as an inland port district may
9 propose to create an inland port authority by ordinance, subject to the
10 cap on the total number of inland port districts provided in subsection
11 (4) of this section. In determining whether to propose the creation of an
12 inland port authority, the city shall consider the following criteria:

13 (a) The desirability and economic feasibility of locating an inland
14 port district within the corporate boundaries, extraterritorial zoning
15 jurisdiction, or both of the city;

16 (b) The technical and economic capability of the city and any other
17 public and private entities to plan and carry out development within the
18 proposed inland port district;

19 (c) The strategic location of the proposed inland port district in
20 proximity to existing and potential transportation infrastructure that is
21 conducive to facilitating regional, national, and international trade and
22 the businesses and facilities that promote and complement such trade;

23 (d) The potential impact that development of the proposed inland
24 port district will have on the immediate area; and

25 (e) The regional and statewide economic impact of development of the
26 proposed inland port district.

27 (2) Any city and one or more counties in which a city of the
28 metropolitan class, city of the primary class, or city of the first class
29 is located, or in which the extraterritorial zoning jurisdiction of such
30 city is located, which encompass an area greater than three hundred acres
31 eligible to be designated as an inland port district may enter into an

1 agreement pursuant to the Interlocal Cooperation Act to propose joint
2 creation of an inland port authority, subject to the cap on the total
3 number of inland port districts provided in subsection (4) of this
4 section. In determining whether to propose the creation of an inland port
5 authority, the city and counties shall consider the following criteria:

6 (a) The desirability and economic feasibility of locating an inland
7 port district within the corporate boundaries or extraterritorial zoning
8 jurisdiction or both of the city, or within both the corporate boundaries
9 or extraterritorial zoning jurisdiction or both of a city and the
10 boundaries of one or more counties;

11 (b) The technical and economic capability of the city and county or
12 counties and any other public and private entities to plan and carry out
13 development within the proposed inland port district;

14 (c) The strategic location of the proposed inland port district in
15 proximity to existing and potential transportation infrastructure that is
16 conducive to facilitating regional, national, and international trade and
17 the businesses and facilities that promote and complement such trade;

18 (d) The potential impact that development of the proposed inland
19 port district will have on the immediate area; and

20 (e) The regional and statewide economic impact of development of the
21 proposed inland port district.

22 (3) Any county with a population greater than twenty thousand
23 inhabitants according to the most recent federal census or the most
24 recent revised certified count by the United States Bureau of the Census
25 which encompasses an area greater than three hundred acres eligible to be
26 designated as an inland port district may propose to create an inland
27 port authority by resolution, subject to the cap on the total number of
28 inland port districts provided in subsection (4) of this section. In
29 determining whether to propose the creation of an inland port authority,
30 the county shall consider the following criteria:

31 (a) The desirability and economic feasibility of locating an inland

1 port district within the county;

2 (b) The technical and economic capability of the county and any
3 other public or private entities to plan and carry out development within
4 the proposed inland port district;

5 (c) The strategic location of the proposed inland port district in
6 proximity to existing and potential transportation infrastructure that is
7 conducive to facilitating regional, national, and international trade and
8 the businesses and facilities that promote and complement such trade;

9 (d) The potential impact that development of the proposed inland
10 port district will have on the immediate area; and

11 (e) The regional and statewide economic impact of development of the
12 proposed inland port district.

13 (4) No more than seven ~~five~~ inland port districts may be designated
14 statewide. No more than one inland port district may be designated within
15 the boundaries of a city of the metropolitan class. No inland port
16 authority shall designate more than one inland port district, and no
17 inland port authority may be created without also designating an inland
18 port district.

19 (5) Following the adoption of an ordinance, resolution, or execution
20 of an agreement pursuant to the Interlocal Cooperation Act proposing
21 creation of an inland port authority, the city clerk or county clerk
22 shall transmit a copy of such ordinance, resolution, or agreement to the
23 Department of Economic Development along with an application for approval
24 of the proposal. Upon receipt of such ordinance, resolution, or agreement
25 and application, the department shall evaluate the proposed inland port
26 authority to determine whether the proposal meets the criteria in
27 subsection (1), (2), or (3) of this section, whichever is applicable, as
28 well as any prioritization criteria developed by the department. Upon a
29 determination that the proposed inland port authority sufficiently meets
30 such criteria, the Director of Economic Development shall certify to the
31 city clerk or county clerk whether the proposed creation of such inland

1 port authority exceeds the cap on the total number of inland port
2 districts pursuant to subsection (4) of this section. If the department
3 determines that the proposed inland port authority sufficiently meets
4 such criteria and does not exceed such cap, the inland port authority
5 shall be deemed created. If the proposed inland port authority does not
6 sufficiently meet such criteria or exceeds such cap, the city shall
7 repeal such ordinance, the county shall repeal such resolution, or the
8 city and county or counties shall rescind such agreement and the proposed
9 inland port authority shall not be created.

10 Sec. 4. Section 13-3305, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 13-3305 (1) The city council of any city which has created an inland
13 port authority pursuant to subsection (1) of section 13-3304 shall
14 designate what areas within the corporate limits, extraterritorial zoning
15 jurisdiction, or both of the city shall comprise the inland port
16 district, subject to the limitations of the Municipal Inland Port
17 Authority Act. The boundaries of any inland port district shall be filed
18 with the city clerk and shall become effective upon approval of the city
19 council. The city council may from time to time enlarge or reduce the
20 area comprising any inland port district, except that such district shall
21 not be reduced to an area less than three hundred acres. Any change of
22 boundaries shall be filed with the city clerk and become effective upon
23 such filing.

24 (2) The city council of any city and county board or boards of any
25 county or counties which have created an inland port authority pursuant
26 to subsection (2) of section 13-3304 shall designate what areas within
27 the corporate limits, extraterritorial zoning jurisdiction, or both of
28 the city or within the county or counties shall comprise the inland port
29 district, subject to the limitations of the Municipal Inland Port
30 Authority Act. The boundaries of any inland port district shall be filed
31 with the city clerk and the county clerk or clerks and shall become

1 effective upon approval of the city council and the county board or
2 boards. The city council and the county board or boards may from time to
3 time enlarge or reduce the area comprising any inland port district,
4 except that such district shall not be reduced to an area less than three
5 hundred acres. Any change of boundaries shall be filed with the city
6 clerk and the county clerk or clerks and become effective upon such
7 filing.

8 (3) The county board of any county which has created an inland port
9 authority pursuant to subsection (3) of section 13-3304 shall designate
10 what areas within the county shall comprise the inland port district,
11 subject to the limitations of the Municipal Inland Port Authority Act.
12 The boundaries of any inland port district shall be filed with the county
13 clerk and shall become effective upon approval of the county board. The
14 county board may from time to time enlarge or reduce the area comprising
15 any inland port district, except that such district shall not be reduced
16 to an area less than three hundred acres. Any change of boundaries shall
17 be filed with the county clerk and become effective upon such filing.

18 (4) Not more than twenty-five percent of the area within an inland
19 port district designated pursuant to this section may be noncontiguous
20 with the remaining portions of such inland port district. Such
21 noncontiguous area shall be no more than one-quarter mile from the
22 remaining portions of such inland port district for an inland port
23 district located within a city of the metropolitan class, and no more
24 than five miles from the remaining portions of such inland port district
25 for any other inland port district.

26 (5) Nothing in this section shall require that any real property
27 located within the boundaries of an inland port district be owned by an
28 inland port authority or the city or county or counties in which such
29 real property is located.

30 Sec. 5. Section 13-3306, Reissue Revised Statutes of Nebraska, is
31 amended to read:

1 13-3306 (1) An inland port authority shall have the power to:

2 (a) Plan, facilitate, and develop the inland port district in
3 conjunction with the city, the county or counties, and other public and
4 private entities, including the development of publicly owned
5 infrastructure and improvements within the inland port district;

6 (b) Engage in marketing and business recruitment activities and
7 efforts to encourage and facilitate development of the inland port
8 district;

9 (c) Apply for and take all other necessary actions for the
10 establishment of a foreign trade zone, as provided under federal law,
11 within the inland port district;

12 (d) Issue and sell revenue bonds as provided in section 13-3308;

13 (e) Acquire, own, lease, sell, or otherwise dispose of interest in
14 and to any real property and improvements located thereon, and in any
15 personal property, and construct buildings and other structures necessary
16 to fulfill the purposes of the inland port authority;

17 (f) Acquire rights-of-way and property of any kind or nature within
18 the inland port district necessary for its purposes by purchase or
19 negotiation;

20 (g) Enter into lease agreements for real or personal property,
21 either as lessee or lessor;

22 (h) Sue and be sued in its own name;

23 (i) Enter into contracts and other instruments necessary,
24 incidental, or convenient to the performance of its duties and the
25 exercise of its powers, including, but not limited to, agreements under
26 the Interlocal Cooperation Act with the city, the county or counties, or
27 any other political subdivision of this or any other state;

28 (j) Borrow money from private lenders, from the state, or from the
29 federal government as may be necessary for the operation and work of the
30 inland port authority;

31 (k) Accept appropriations, including funds transferred by the

1 Legislature pursuant to section 81-12,146, contributions, gifts, grants,
2 or loans from the United States, the State of Nebraska, political
3 subdivisions, or other public and private agencies, individuals,
4 partnerships, or corporations;

5 (l) Employ such managerial, engineering, legal, technical, clerical,
6 accounting, advertising, administrative, or other assistance as may be
7 deemed advisable, or to contract with independent contractors for any
8 such assistance;

9 (m) Adopt, alter, or repeal its own bylaws, rules, and regulations
10 governing the manner in which its business may be transacted, except that
11 such bylaws, rules, and regulations shall not exceed the powers granted
12 to the inland port authority by the Municipal Inland Port Authority Act;

13 (n) Enter into agreements with private operators or public entities
14 for the joint development, redevelopment, reclamation, and other uses of
15 property within the inland port district;

16 (o) Own and operate an intermodal facility and other publicly owned
17 infrastructure and improvements within the boundaries of the inland port
18 district;~~and~~

19 (p) Establish and charge fees to businesses and customers utilizing
20 the services offered by the inland port authority within the inland port
21 district as required for the proper maintenance, development, operation,
22 and administration of the inland port authority; ~~and -~~

23 (q) Facilitate partnerships and programs between innovative startup
24 businesses, research institutions, and venture capitalists or financial
25 institutions.

26 (2) An inland port authority shall neither possess nor exercise the
27 power of eminent domain.

28 (3) Any inland port authority located within the boundaries of a
29 city of the metropolitan class shall not be eligible to receive any funds
30 transferred by the Legislature pursuant to subsection (2) of section
31 81-12,146 until July 1, 2027.

1 Sec. 6. Section 13-3310, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-3310 (1) An inland port authority shall be administered by the
4 board which shall consist of:

5 (a) If created by a city of the metropolitan class, nine members to
6 include (i) the mayor or the mayor's designee, (ii) at least one member
7 with experience in real estate development, and (iii) at least one member
8 with experience in large-scale residential or commercial property rental.
9 A single member may satisfy both requirements described in subdivisions
10 (ii) and (iii) of this subdivision;

11 (b) If created by a city of the primary class, seven members;

12 (c) If created by a city of the first class, five members;

13 (d) If jointly created by a city of the metropolitan class and one
14 or more counties, eleven members;

15 (e) If jointly created by a city of the primary class and one or
16 more counties, nine members;

17 (f) If jointly created by a city of the first class and one or more
18 counties, seven members; or

19 (g) If created by a county, nine members.

20 (2) Upon the creation of an inland port authority under subsection
21 (1) or (2) of section 13-3304, the mayor of the city that created the
22 authority, with the approval of the city council, and, if the authority
23 is created under subsection (2) of section 13-3304, with the approval of
24 the county board or boards, shall appoint a board to govern the
25 authority. Members of the board shall be residents of the city or of the
26 county in which such city that created the authority under subsection (1)
27 of section 13-3304 is located, or, if the authority is created under
28 subsection (2) of section 13-3304, members of the board shall be
29 residents of the county or counties jointly creating such authority or of
30 any county located adjacent to any such county.

31 (3) Upon the creation of an inland port authority under subsection

1 (3) of section 13-3304, the chairperson of the county board, with the
2 approval of the county board, shall appoint a board to govern the
3 authority. Members of the board shall be residents of the county or of
4 any county located adjacent to such county.

5 (4) The members of the board of any inland port authority created
6 under section 13-3304 shall be appointed to staggered terms of four years
7 in such a manner to ensure that the terms of no more than three members
8 expire in any one year.

9 (5) Any vacancy on the board of an inland port authority shall be
10 filled in the same manner as the vacating board member was appointed to
11 serve the unexpired portion of the board member's term.

12 Sec. 7. Section 13-3311, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 13-3311 (1) A public official may serve as a commissioner of an
15 inland port authority.

16 (2) ~~(1)~~ No individual may serve as a commissioner or an employee of
17 an inland port authority if:

18 (a) The individual or a family member of the individual owns an
19 interest in any real property located within the boundaries of the inland
20 port district; ~~or~~

21 (b) The individual or a family member of the individual owns an
22 interest in, is directly affiliated with, or is an employee or officer of
23 a private firm, company, or other entity, other than a political
24 subdivision, that received any funding from a grant awarded pursuant to
25 subdivision (4)(a) of section 81-12,241; or

26 (c) ~~(b)~~ The individual or a family member of the individual owns an
27 interest in, is directly affiliated with, or is an employee or officer of
28 a private firm, company, or other entity, other than a political
29 subdivision, that the individual reasonably believes is likely to:

30 (i) Participate in or receive a direct or indirect financial benefit
31 from the development of the inland port district; or

1 (ii) Acquire an interest in any facility located within the inland
2 port district.

3 ~~(3) (2)~~ Before taking office as a commissioner or accepting
4 employment with an inland port authority, an individual shall submit to
5 the authority a statement verifying that the individual's service as a
6 commissioner or an employee will not violate subsection ~~(2) (1)~~ of this
7 section.

8 ~~(4) (3)~~ An individual shall not, at any time during the individual's
9 service as a commissioner or an employee of an inland port authority,
10 acquire or take any action to initiate, negotiate, or otherwise arrange
11 for the acquisition of an interest in any real property located within
12 the boundaries of the inland port district.

13 ~~(5) (4)~~ A commissioner or an employee of an inland port authority
14 shall not receive a direct financial benefit from the development of any
15 real property located within the boundaries of the inland port district.

16 Sec. 8. (1) The Inland Port Authority Fund is created. The fund
17 shall be used by the State Treasurer to carry out section 9 of this act.
18 The fund shall consist of transfers by the Legislature and any federal
19 funds which may become available for the purposes of the Municipal Inland
20 Port Authority Act. Any money in the fund available for investment shall
21 be invested by the state investment officer pursuant to the Nebraska
22 Capital Expansion Act and the Nebraska State Funds Investment Act. Any
23 investment earnings from investment of money in the fund shall be
24 credited to the fund.

25 (2) The State Treasurer shall transfer (a) any interest earned after
26 July 1, 2024, on federal funds allocated to the State of Nebraska from
27 the federal Coronavirus State Fiscal Recovery Fund pursuant to the
28 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, to
29 the Inland Port Authority Fund no later than five business days after the
30 effective date of this act, and on or before June 30 of each year
31 thereafter, on such dates and in such amounts as directed by the budget

1 administrator of the budget division of the Department of Administrative
2 Services and (b) any investment earnings from the investment of money in
3 the Perkins County Canal Project Fund pursuant to section 61-305 and the
4 Nebraska Capital Construction Fund, from transfers credited to such fund
5 that are designated for the construction of a new state prison pursuant
6 to section 72-1001, to the Inland Port Authority Fund no later than five
7 business days after the effective date of this act, and on or before June
8 30 of each year thereafter through June 30, 2026, on such dates and in
9 such amounts as directed by the budget administrator of the budget
10 division of the Department of Administrative Services.

11 Sec. 9. An inland port authority located within the boundaries of a
12 city of the metropolitan class may apply to the State Treasurer for a
13 grant to carry out the functions of such inland port authority as
14 authorized under the Municipal Inland Port Authority Act. The application
15 for such grant shall be submitted on a form prescribed by the State
16 Treasurer. The application shall only include the amount of grant funds
17 requested and a certified copy of the approved city ordinance creating
18 such inland port authority. The State Treasurer shall not be required to
19 verify the information submitted in the application. If adequate funds
20 are available in the Inland Port Authority Fund, the State Treasurer
21 shall award the grant.

22 Sec. 10. The changes made by this legislative bill shall apply to
23 any inland port authority existing prior to, on, or after the effective
24 date of this act.

25 Sec. 11. Section 61-305, Revised Statutes Supplement, 2023, is
26 amended to read:

27 61-305 (1) The Perkins County Canal Project Fund is created. The
28 fund shall be administered by the Department of Natural Resources. The
29 State Treasurer shall credit to the fund any money transferred by the
30 Legislature and such grants, loans, donations, gifts, bequests, or other
31 money received from any federal or state agency or public or private

1 source for use by the department for the canal project. Any fees
2 collected for water delivery may be credited to the fund. Any money in
3 the Perkins County Canal Project Fund available for investment shall be
4 invested by the state investment officer pursuant to the Nebraska Capital
5 Expansion Act and the Nebraska State Funds Investment Act. Any investment
6 earnings from investment of money in the Perkins County Canal Project
7 Fund shall be credited to such fund, except that ~~for fiscal years~~
8 ~~2023-24, 2024-25, and 2025-26,~~ such investment earnings shall be credited
9 to the Economic Recovery Contingency Fund for fiscal year 2023-24 and to
10 the Inland Port Authority Fund for fiscal years 2024-25 and 2025-26.

11 (2)(a) The department shall use the Perkins County Canal Project
12 Fund to identify the optimal route and purchase land for and develop,
13 construct, manage, and operate the Perkins County Canal as outlined by
14 the South Platte River Compact and to contract with an independent firm
15 for the purposes of completing a study of such canal. The study shall
16 include, but may not be limited to, the following:

17 (i) Costs of completion of a canal and adjoining reservoirs as
18 outlined in the South Platte River Compact;

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

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

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

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

29 Sec. 12. Section 72-819, Revised Statutes Supplement, 2023, is
30 amended to read:

31 72-819 (1) The Game and Parks Commission shall construct, develop,

1 and manage a museum and visitor center honoring Chief Standing Bear.

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

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

10 (b) Seven hundred fifty thousand dollars for fiscal year 2025-26
11 from investment earnings from the Perkins County Canal Project Fund and
12 credited to the Inland Port Authority Economic Recovery Contingency Fund
13 as provided in section 61-305 for exhibit fabrication and historical
14 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. 13. Section 72-1001, Revised Statutes Supplement, 2023, is
22 amended to read:

23 72-1001 The Nebraska Capital Construction Fund is created. The fund
24 shall consist of revenue and transfers credited to the fund as authorized
25 by law. Money shall be appropriated from the fund to state agencies for
26 making payments on projects as determined by the Legislature, including,
27 but not limited to, purchases of land, structural improvements to land,
28 acquisition of buildings, construction of buildings, including
29 architectural and engineering costs, replacement of or major repairs to
30 structural improvements to land or buildings, additions to existing
31 structures, remodeling of buildings, and acquisition of equipment and

1 furnishings of new or remodeled buildings. The fund shall be administered
2 by the State Treasurer as a multiple-agency-use fund and appropriated to
3 state agencies as determined by the Legislature. Transfers may be made
4 from the fund to the Capitol Restoration Cash Fund at the direction of
5 the Legislature. Any money in the Nebraska Capital Construction Fund
6 available for investment shall be invested by the state investment
7 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
8 State Funds Investment Act. Any investment earnings from investment of
9 money in the Nebraska Capital Construction Fund shall be credited to such
10 fund, except that ~~for fiscal years 2023-24, 2024-25, and 2025-26,~~ any
11 investment earnings from investment of money in the Nebraska Capital
12 Construction Fund from transfers credited to such fund that are
13 designated for the construction of a new state prison shall be credited
14 to the Economic Recovery Contingency Fund for fiscal year 2023-24 and to
15 the Inland Port Authority Fund for fiscal years 2024-25 and 2025-26.

16 Sec. 14. Section 81-1239, Revised Statutes Supplement, 2023, is
17 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)(d)~~ ~~(4)(e)~~ and
31 ~~(e)~~ ~~(4)(f)~~ of section 81-12,241.

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

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

17 Sec. 15. Section 81-1243, Revised Statutes Supplement, 2023, is
18 amended to read:

19 81-1243 The department may adopt and promulgate rules and
20 regulations to administer and enforce the Middle Income Workforce Housing
21 Investment Act, including rules, regulations, and reporting requirements
22 relating to proposals pursuant to subdivisions ~~(4)(d)~~ ~~(4)(e)~~ and ~~(e)~~ ~~(f)~~
23 of section 81-12,241.

24 Sec. 16. Section 81-12,195, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 81-12,195 Sections 81-12,195 to 81-12,218 and section 18 of this act
27 shall be known and may be cited as the Nebraska Rural Projects Act.

28 Sec. 17. Section 81-12,196, Revised Statutes Cumulative Supplement,
29 2022, is amended to read:

30 81-12,196 For purposes of the Nebraska Rural Projects Act, the
31 definitions found in sections 81-12,197 to 81-12,207 and section 18 of

1 this act shall be used.

2 Sec. 18. Inland port authority has the same meaning as in section
3 13-3303.

4 Sec. 19. Section 81-12,201, Revised Statutes Cumulative Supplement,
5 2022, is amended to read:

6 81-12,201 Investment means the amount paid by the applicant for the
7 project and includes any funding and other resources directed toward the
8 project by a city, a county, an inland port authority, or a public
9 utility. The term also includes any applicant resources received by the
10 applicant for the project and costs expended for debt financing for the
11 project. Debt financing shall be considered a direct investment in the
12 project and shall not require the project to reinvest a like amount for
13 the purposes of matching funds. The term does not include any matching
14 funds received by the applicant under the Nebraska Rural Projects Act.

15 Sec. 20. Section 81-12,215, Revised Statutes Cumulative Supplement,
16 2022, is amended to read:

17 81-12,215 (1) If approved by the director, an ~~an~~ applicant may sell
18 all or any part of the project authorized by the Nebraska Rural Projects
19 Act or the land on which such project is situated to (a) a person who is
20 seeking to establish a business at the site of such project or (b) a
21 city, a county, an inland port authority, or a public utility for the
22 purposes of public works infrastructure, including, but not limited to,
23 storm water management ~~if the sale is approved by the director.~~

24 (2) The director shall approve a sale under this section if the
25 director finds that the sale furthers the goals of the project and the
26 Nebraska Rural Projects Act.

27 (3) Any sale under this section shall not affect any matching funds
28 already granted to the applicant and shall not disqualify the applicant
29 from receiving matching funds after the sale.

30 Sec. 21. Section 81-12,241, Revised Statutes Supplement, 2023, is
31 amended to read:

1 81-12,241 (1) A primary responsibility of the Economic Recovery and
2 Incentives Division of the Department of Economic Development shall be to
3 utilize federal or state funding to award grants as provided in this
4 section. For grants awarded under this section, the division shall pay a
5 grantee an advance of fifty percent of the total grant awarded with the
6 remaining grant funds paid on a monthly basis until the grant is paid in
7 full or by December 31, 2026, whichever occurs sooner. The division may
8 (a) require a grantee to return unused grant funds upon a documented
9 finding that such funds are not being used for the purpose for which the
10 grant was awarded or (b) reduce any future monthly payments by the amount
11 of such unused funds already paid.

12 (2) The division shall direct and prioritize the use of grants
13 awarded under this section toward the economic recovery of those
14 communities and neighborhoods within qualified census tracts or economic
15 redevelopment areas located within the boundaries of a city of the
16 metropolitan class that were disproportionately impacted by the COVID-19
17 public health emergency and related challenges, with an emphasis on
18 housing needs, assistance for small businesses, job training, and
19 business development within such communities and neighborhoods. In
20 prioritizing the use of grants awarded within the boundaries of a city of
21 the metropolitan class, the Economic Recovery and Incentives Division
22 shall rely on any studies produced pursuant to section 81-12,242.

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

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

31 (c) 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 outside of a city of the metropolitan class or a city of
3 the primary class.

4 (d)(i) All remaining funds shall be allocated for grants distributed
5 under the grant program to eligible grantees in qualified census tracts
6 that are located in a city of the metropolitan class.

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

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

13 (a) Not to exceed four hundred thousand ~~ninety million~~ dollars in
14 grants to a nonprofit economic development organization for the
15 development of a business park located within or adjacent to one or more
16 qualified census tracts located within the boundaries of a city of the
17 metropolitan class and within two miles of a major airport as defined in
18 section 13-3303. An innovation hub as defined in section 81-12,108 shall
19 not qualify for a grant under this subdivision;

20 ~~(b) Not to exceed thirty million dollars in grants to one or more~~
21 ~~innovation hubs located within or adjacent to one or more qualified~~
22 ~~census tracts and within two miles of a major airport as defined in~~
23 ~~section 13-3303 providing services and resources within qualified census~~
24 ~~tracts located within the boundaries of a city of the metropolitan class;~~

25 (b) ~~(e)~~ Not to exceed six million dollars in grants to a nonprofit
26 organization partnering with a city of the metropolitan class for the
27 purpose of providing internships and crime prevention within qualified
28 census tracts located within the boundaries of such city;

29 (c) ~~(d)~~ Not to exceed five million dollars in grants pursuant to the
30 purposes of the Nebraska Film Office Fund on or before June 30, 2023, for
31 the purpose of producing a film on Chief Standing Bear, a portion of

1 which is to be filmed in one or more qualified census tracts located
2 within the boundaries of a city of the metropolitan class;

3 ~~(d)~~ ~~(e)~~ Not to exceed twenty million dollars in grants to public or
4 private entities to prepare land parcels for affordable housing or
5 conduct other eligible affordable housing interventions under the federal
6 American Rescue Plan Act of 2021 including production, rehabilitation,
7 and preservation of affordable rental housing and affordable
8 homeownership units within qualified census tracts which are located in a
9 city of the metropolitan class;

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

17 ~~(f)~~ ~~(g)~~ Not to exceed five million dollars in grants to a county
18 agricultural society with facilities within a city of the primary class
19 to recoup lost revenue; and

20 ~~(g)~~ ~~(h)~~ Not to exceed one million dollars in grants to a
21 postsecondary institution located in a qualified census tract in a city
22 of the metropolitan class to provide funding for a financial literacy
23 program to improve economic and health outcomes for individuals residing
24 in qualified census tracts.

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

27 (a) Costs and fees associated with legal land surveys and structural
28 assessments;

29 (b) Laying drinking water mains, lines, pipes, or channels;

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

1 (d) Rehabilitation, renovation, maintenance, or other costs to
2 secure vacant or abandoned properties in disproportionately impacted
3 communities;

4 (e) Acquiring and securing legal title of vacant or abandoned
5 properties in disproportionately impacted communities;

6 (f) Testing, removal, and remediation of environmental contaminants
7 or hazards from vacant or abandoned properties in disproportionately
8 impacted communities when conducted in compliance with applicable
9 environmental laws or regulations;

10 (g) Demolition or deconstruction of vacant or abandoned buildings in
11 disproportionately impacted communities; and

12 (h) Costs associated with inspection fees and other administrative
13 costs incurred to ensure compliance with applicable environmental laws
14 and regulations for demolition or other remediation activities in
15 disproportionately impacted communities.

16 (6) All grants made by the Economic Recovery and Incentives Division
17 utilizing federal funds allocated to the State of Nebraska from the
18 federal Coronavirus State Fiscal Recovery Fund under the federal American
19 Rescue Plan Act of 2021 shall meet the eligible uses under such act and
20 any relevant guidance on the use of such funds by the United States
21 Department of the Treasury.

22 (7) All grants made by the Economic Recovery and Incentives Division
23 utilizing state funds to carry out subsection (2) of section 81-1239 are
24 subject to the intent and basic parameters of the federal American Rescue
25 Plan Act of 2021 but are not subject to meet the time restraints for
26 allocation and spending of funds or the federal reporting requirements
27 indicated in the federal American Rescue Plan Act of 2021.

28 Sec. 22. Section 81-12,243, Revised Statutes Supplement, 2023, is
29 amended to read:

30 81-12,243 (1) The Economic Recovery Contingency Fund is created. The
31 fund shall consist of transfers by the Legislature to carry out the

1 Economic Recovery Act. Any money in the fund available for investment
2 shall be invested by the state investment officer pursuant to the
3 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
4 Act. Investment earnings on and after July 1, 2023, shall be credited to
5 the fund.

6 (2) The Department of Economic Development may review the projects
7 listed in the coordination plan and the appendices by the Economic
8 Recovery Special Committee of the Legislature dated January 10, 2023, and
9 shall prioritize the use of the fund on projects listed in the
10 coordination plan followed by the projects in the appendices.

11 (3) The State Treasurer shall transfer (a) eighty-nine million six
12 hundred thousand dollars from the Economic Recovery Contingency Fund to
13 the Inland Port Authority Fund no later than five business days after the
14 department notifies the State Treasurer that an application has been made
15 by a city of the metropolitan class to create an inland port authority
16 pursuant to section 13-3304 and (b) thirty million dollars from the
17 Economic Recovery Contingency Fund to the Inland Port Authority Fund no
18 later than five business days after the effective date of this act.

19 Sec. 23. Section 81-12,244, Revised Statutes Supplement, 2023, is
20 amended to read:

21 81-12,244 (1) It is the intent of the Legislature to appropriate ten
22 million dollars from the General Fund for fiscal year 2023-24 to the
23 Department of Economic Development to carry out the Economic Recovery
24 Act. The department may use not more than ten million dollars of such
25 money for the administration of the Economic Recovery Act.

26 (2) The State Treasurer shall transfer (a) any interest earned after
27 April 19, 2022, on federal funds allocated to the State of Nebraska from
28 the federal Coronavirus State Fiscal Recovery Fund pursuant to the
29 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, to
30 the Economic Recovery Contingency Fund between June 1, 2023, and June 30,
31 2023, and on or before June 30, 2024 ~~each year thereafter~~, 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, and (b) any
3 investment earnings from the investment of money in (i) the Perkins
4 County Canal Project Fund pursuant to section 61-305 and (ii) the
5 Nebraska Capital Construction Fund from transfers credited to such fund
6 that are designated for the construction of a new state prison pursuant
7 to section 72-1001 to the Economic Recovery Contingency Fund between June
8 1, 2023, and June 30, 2023, and on or before June 30, 2024 ~~each year~~
9 ~~thereafter through June 30, 2026~~, on such dates and in such amounts as
10 directed by the budget administrator of the budget division of the
11 Department of Administrative Services.

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

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

22 (4) ~~(5)~~ It is the intent of the Legislature to transfer ten million
23 dollars from the General Fund to the Economic Recovery Contingency Fund
24 for fiscal year 2023-24 and ten million dollars from the General Fund to
25 the Economic Recovery Contingency Fund for fiscal year 2024-25 to provide
26 grants under the Economic Recovery Act.

27 Sec. 24. Section 84-602, Revised Statutes Cumulative Supplement,
28 2022, is amended to read:

29 84-602 It shall be the duty of the State Treasurer:

30 (1) To receive and keep all money of the state not expressly
31 required to be received and kept by some other person;

1 (2) To disburse the public money upon warrants drawn upon the state
2 treasury according to law and not otherwise;

3 (3) To keep a just, true, and comprehensive account of all money
4 received and disbursed;

5 (4) To keep a just account with each fund, and each head of
6 appropriation made by law, and the warrants drawn against them;

7 (5) To report electronically to the Legislature as soon as
8 practicable, but within ten days after the commencement of each regular
9 session, a detailed statement of the condition of the treasury and its
10 operations for the preceding fiscal year;

11 (6) To give information electronically to the Legislature, whenever
12 required, upon any subject connected with the treasury or touching any
13 duty of his or her office;

14 (7) To account for, and pay over, all money received by him or her
15 as such treasurer, to his or her successor in office, and deliver all
16 books, vouchers, and effects of office to him or her; and such successor
17 shall receipt therefor. In accounting for and paying over such money the
18 treasurer shall not be held liable on account of any loss occasioned by
19 any investment, when such investment shall have been made pursuant to the
20 direction of the state investment officer;~~and~~

21 (8) To develop and maintain the website required under the Taxpayer
22 Transparency Act; and -

23 (9) To award grants as provided under the Municipal Inland Port
24 Authority Act.

25 Sec. 25. Original sections 13-3301, 13-3302, 13-3304, 13-3305,
26 13-3306, 13-3310, and 13-3311, Reissue Revised Statutes of Nebraska,
27 sections 81-12,195, 81-12,196, 81-12,201, 81-12,215, and 84-602, Revised
28 Statutes Cumulative Supplement, 2022, and sections 61-305, 72-819,
29 72-1001, 81-1239, 81-1243, 81-12,241, 81-12,243, and 81-12,244, Revised
30 Statutes Supplement, 2023, are repealed.

31 Sec. 26. Since an emergency exists, this act takes effect when

1 passed and approved according to law.