

ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024
COMMITTEE STATEMENT (CORRECTED)
LB707

Hearing Date: Tuesday February 21, 2023
Committee On: Urban Affairs
Introducer: Dungan
One Liner: Provide for grants to cities of the primary class from the Affordable Housing Trust Fund

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	5	Senators Blood, Cavanaugh, J., Day, Hunt, McKinney
Nay:	2	Senators Lowe, Hardin
Absent:		
Present Not Voting:		

Testimony:

Proponents:

Senator George Dungan
Dan Marvin
Alec Goryuski
Mark Hesser
Ward Hoppe
Wayne Mortensen
Sara Tichota
Bruce Bohrer
Carol Boden

Representing:

Opening Presenter
City of Lincoln
Lincoln Community Foundation
Pinnacle Bank Community Development Resource
self
NeighborWorks Lincoln
Nebraska Investment Finance Authority
Lincoln Chamber of Commerce
Nebraska Housing Developers Assoc.

Opponents:

Representing:

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 707 would create the Transforming Cities of the Primary Class Program, which would be used for the purpose of constructing housing to address affordable housing needs in a city of the primary class. The Department of Economic Development would award up to ten million dollars of available grant money for such purposes.

Background & Legislative History:

In 2020, the city of Lincoln adopted the 2020 Affordable Housing Plan, identifying access to capital as the primary barrier to good housing. Using this identification, the city of Lincoln helped draft this bill.

Section-by-Section Summary:

Section 1 of the bill creates the Transforming Cities of the Primary Class Program in order to award grants that would be used to address affordable housing needs by constructing houses. The section specifies that the Department of Economic Development would award up to ten million dollars of available grant money for such purposes.

Section 2 of the bill amends 58-703 to strike obsolete provisions relating to the Affordable Housing Trust Fund.

Section 3 of the bill amends 84-612 to appropriate \$10 million from the Cash Reserve Fund to the Affordable Housing Trust Fund “as soon as administratively possible.”

Section 4 of the bill repeals the original sections.

Section 5 of the bill enacts an emergency clause.

Technical Comments:

Under this bill, any eligible applicant that receives a grant under this section may work with a “community development financial institution” (CDFI) to implement and complete the purpose for which the grant was received. The only CDFI in Lincoln is Community Development Resources.

As this bill includes an emergency clause, the Legislature must have a two-thirds vote (33) to pass the bill. The Program would then go into effect as soon as the governor signs the bill, the legislature overrides the governor's veto, or five days pass after the legislature approves a bill and the governor fails to act on it.

Terrell McKinney, Chairperson