

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 531

FINAL READING

Introduced by McKinney, 11.

Read first time January 17, 2023

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to government; to amend sections 16-312,
2 16-404, 16-503, 17-110, 17-614, 18-2101, 18-2101.02, 18-2105,
3 18-2109, 18-2117.01, 18-2117.02, 18-2142.05, 18-2147, 18-2155,
4 18-2709, 19-5504, 19-5505, 58-209.01, 71-6401, and 72-1001, Reissue
5 Revised Statutes of Nebraska, and sections 61-305, 76-3602, 76-3603,
6 76-3604, 81-1237, 81-1238, 81-1239, 81-1240, 81-1243, 81-12,109,
7 81-12,110, 81-12,203, 81-12,211, 81-12,218, 81-12,221, 81-12,222,
8 81-12,223, 81-12,225, 81-12,238, 81-12,240, 81-12,241, 81-12,243,
9 81-12,244, and 84-612, Revised Statutes Cumulative Supplement, 2022;
10 to create the Revitalize Rural Nebraska Grant Program and the
11 Revitalize Rural Nebraska Fund and provide powers and duties for the
12 Department of Environment and Energy; to change provisions relating
13 to voting powers of mayors of cities of the first class and cities
14 of the second class; to change provisions relating to extremely
15 blighted areas, substandard and blighted areas, redevelopment
16 projects and plans, reports, housing studies, allocation of funds,
17 and expedited reviews and provide for designation reviews and
18 removals under the Community Development Law; to redefine terms
19 under the Local Option Municipal Economic Development Act and the
20 Nebraska Investment Finance Authority Act; to change and provide
21 reporting requirements under the Municipal Density and Missing
22 Middle Housing Act; to change provisions of the Perkins County Canal

1 Project Fund and the Nebraska Capital Construction Fund relating to
2 investment earnings; to provide a state building code exception
3 under the Building Construction Act; to change home inspection
4 provisions as prescribed; to redefine terms and change provisions
5 relating to grant qualifications, fund use, duties, and Department
6 of Economic Development powers under the Middle Income Workforce
7 Housing Investment Act; to change provisions relating to iHub
8 applications, designations, and locations under the Nebraska
9 Innovation Hub Act; to change project and matching funds provisions
10 under the Nebraska Rural Projects Act; to redefine a term, change
11 provisions relating to grant application, approval, and acceptance
12 requirements, and restate legislative intent for funding under the
13 Shovel-Ready Capital Recovery and Investment Act; to define a term
14 and create the North and South Omaha Recovery Grant Program under
15 the Economic Recovery Act; to change provisions of the Economic
16 Recovery Act relating to powers and duties of the Economic Recovery
17 and Incentives Division of the Department of Economic Development,
18 allocation and use of grant funds, legislative intent for
19 appropriations, and credits and transfers to the Economic Recovery
20 Contingency Fund; to transfer funds from the Cash Reserve Fund; to
21 require the Game and Parks Commission to construct, develop, and
22 manage a Chief Standing Bear museum and visitor center and acquire,
23 rehabilitate, and manage the Mayhew Cabin historical site; to state
24 legislative intent for appropriations; to eliminate obsolete
25 provisions; to harmonize provisions; to provide operative dates; to
26 provide severability; to repeal the original sections; and to
27 declare an emergency.

28 Be it enacted by the people of the State of Nebraska,

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

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

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

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

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

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

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

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

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

5 Sec. 3. If a city or village fails to engage in the demolition of
6 the commercial property identified in the application for a grant under
7 the Revitalize Rural Nebraska Grant Program within twenty-four months
8 after receiving the grant, the city or village shall return the grant to
9 the Department of Environment and Energy. The department shall remit such
10 grant money to the State Treasurer for credit to the Revitalize Rural
11 Nebraska Fund.

12 Sec. 4. The Revitalize Rural Nebraska Fund is created. The
13 Department of Environment and Energy shall use the fund for the
14 Revitalize Rural Nebraska Grant Program. The fund shall include transfers
15 as directed by the Legislature, money from grants returned under section
16 3 of this act, and money from private contributions and other sources
17 provided for purposes of the program. Any money in the Revitalize Rural
18 Nebraska Fund available for investment shall be invested by the state
19 investment officer pursuant to the Nebraska Capital Expansion Act and the
20 Nebraska State Funds Investment Act. Any interest earned on the fund
21 shall be used for the program.

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

24 16-312 (1) The mayor of a city of the first class shall preside at
25 all the meetings of the city council. The mayor may vote on any matter
26 that requires either a majority vote of the city council members or a
27 majority vote of all the elected members of the city council if (a) the
28 mayor's vote is required due to the city council members being equally
29 divided or (b) a majority of the city council members or majority vote of
30 all the elected members cannot be reached due to absence, vacancy, or
31 abstention of one or more city council members. For purposes of such

1 vote, the mayor is deemed to be a member of the city council.

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

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

13 16-404 (1) All ordinances and resolutions or orders for the
14 appropriation or payment of money in a city of the first class shall
15 require for their passage or adoption the concurrence of a majority of
16 all elected members of ~~elected to~~ the city council. The mayor may vote on
17 any such matter if (a) the mayor's vote is required due to the city
18 council members being equally divided or (b) a majority vote of all the
19 elected members cannot be reached due to absence, vacancy, or abstention
20 of one or more city council members. For purposes of such vote, the mayor
21 is deemed to be a member of the city council ~~when his or her vote will~~
22 ~~provide the additional vote required to create a number of votes equal to~~
23 ~~a majority of the number of members elected to the city council, and the~~
24 ~~mayor shall, for the purpose of such vote, be deemed to be a member of~~
25 ~~the city council.~~

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

31 (b) Regardless of the form of government, such requirement shall not

1 be suspended (i) for any ordinance for the annexation of territory or the
2 redrawing of boundaries for city council election districts or wards
3 ~~except as otherwise provided in subsection (4) of this section~~ or (ii) as
4 otherwise provided by law.

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

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

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

17 (a) For an ordinance revising all the ordinances of a city of the
18 first class, the only title necessary shall be An ordinance of the city
19 of, revising all the ordinances of the city. Under such title
20 all the ordinances may be revised in sections and chapters or otherwise,
21 may be corrected, added to, and any part suppressed, and may be repealed
22 with or without a saving clause as to the whole or any part without other
23 title; and

24 (b) For an ordinance used solely to revise ordinances or code
25 sections or to enact new ordinances or code sections in order to adopt
26 statutory changes made by the Legislature which are specific and
27 mandatory and bring the ordinances or code sections into conformance with
28 state law, the title need only state that the ordinance revises those
29 ordinances or code sections affected by or enacts ordinances or code
30 sections generated by legislative changes. Under such title, all such
31 ordinances or code sections may be revised, repealed, or enacted in

1 sections and chapters or otherwise by a single ordinance without other
2 title.

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

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

18 16-503 On the passage or adoption of every resolution or order to
19 enter into a contract, or accepting of work done under contract, by the
20 mayor or city council of a city of the first class, the yeas and nays
21 shall be called and entered upon the record. To pass or adopt any bylaw
22 or ordinance or any such resolution or order, a concurrence of a majority
23 of all elected the whole number of the members of elected to the city
24 council shall be required. The mayor may vote on any such matter if (1)
25 the mayor's vote is required due to the city council members being
26 equally divided or (2) a majority vote of all the elected members of the
27 city council cannot be reached due to absence, vacancy, or abstention of
28 one or more city council members. For purposes of such vote, the mayor is
29 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.~~ The requirements of a roll call or viva voce vote shall
3 be satisfied by a city which utilizes an electronic voting device which
4 allows the yeas and nays of each city council member to be readily seen
5 by the public.

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

8 17-110 (1) The mayor shall preside at all meetings of the city
9 council of a city of the second class. The mayor may vote on any matter
10 that requires either a majority vote of the city council or a majority
11 vote of all the elected members of the city council if (a) the mayor's
12 vote is required due to the city council members being equally divided or
13 (b) a majority of the city council members or majority vote of all the
14 elected members cannot be reached due to absence, vacancy, or abstention
15 of one or more city council members. For purposes of such vote, the mayor
16 is deemed to be a member of the city council.

17 ~~(2) The mayor when his or her vote would provide the additional vote~~
18 ~~required to attain the number of votes equal to a majority of the number~~
19 ~~of members elected to the city council on any pending matter,~~
20 ~~legislation, or transaction, and the mayor shall, for the purpose of such~~
21 ~~vote, be deemed to be a member of the city council. He or she shall have~~
22 ~~superintendence and control of all the officers and affairs of the city~~
23 ~~and shall take care that the ordinances of the city and all laws~~
24 ~~governing cities of the second class are complied with.~~

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

27 17-614 (1)(a) All ordinances and resolutions or orders for the
28 appropriation or payment of money shall require for their passage or
29 adoption the concurrence of a majority of all elected members of
30 ~~to~~ the city council in a city of the second class or village board of
31 trustees. The mayor of a city of the second class may vote on any such

1 matter if (i) the mayor's vote is required due to the city council
2 members being equally divided or (ii) a majority vote of all the elected
3 members of the city council cannot be reached due to absence, vacancy, or
4 abstention of one or more city council members. For purposes of such
5 vote, the mayor is deemed to be a member of the city council ~~when his or~~
6 ~~her vote would provide the additional vote required to attain the number~~
7 ~~of votes equal to a majority of the number of members elected to the city~~
8 ~~council, and the mayor shall, for the purpose of such vote, be deemed to~~
9 ~~be a member of the city council.~~

10 (b) Ordinances of a general or permanent nature shall be read by
11 title on three different days unless three-fourths of the city council or
12 village board of trustees vote to suspend this requirement. Such
13 requirement shall not be suspended (i) for any ordinance for the
14 annexation of territory or the redrawing of boundaries for city council
15 or village board of trustees election districts or wards ~~except as~~
16 ~~otherwise provided in subsection (3) of this section~~ or (ii) as otherwise
17 provided by law.

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

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

23 (2) Ordinances shall contain no subject which is not clearly
24 expressed in the title, and, except as provided in section 19-915, no
25 ordinance or section of such ordinance shall be revised or amended unless
26 the new ordinance contains the entire ordinance or section as revised or
27 amended and the ordinance or section so amended is repealed, except that:

28 (a) For an ordinance revising all the ordinances of the city of the
29 second class or village, the title need only state that the ordinance
30 revises all the ordinances of the city or village. Under such title all
31 the ordinances may be revised in sections and chapters or otherwise, may

1 be corrected, added to, and any part suppressed, and may be repealed with
2 or without a saving clause as to the whole or any part without other
3 title; and

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

14 ~~(3) Following the release of the 2020 Census of Population data by~~
15 ~~the United States Department of Commerce, Bureau of the Census, as~~
16 ~~required by Public Law 94-171, the city council of any city of the second~~
17 ~~class or village board of trustees requesting the adjustment of the~~
18 ~~boundaries of election districts shall provide to the election~~
19 ~~commissioner or county clerk (a) written notice of the need and necessity~~
20 ~~of his or her office to perform such adjustments and (b) a revised~~
21 ~~election district boundary map that has been approved by the requesting~~
22 ~~city council or village board of trustees and subjected to all public~~
23 ~~review and challenge ordinances of the city or village by December 30,~~
24 ~~2021. The revised election district boundary map shall be adopted by~~
25 ~~ordinance. Such ordinance shall be read by title on three different days~~
26 ~~unless three-fourths of the members of the city council or village board~~
27 ~~of trustees vote to suspend this requirement.~~

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

30 18-2101 Sections 18-2101 to 18-2155 and sections 18 and 19 of this
31 act shall be known and may be cited as the Community Development Law.

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

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

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

26 (3) Upon receipt of the recommendations of the planning commission
27 or board, or if no recommendations are received within thirty days after
28 the public hearing required under subsection (2) of this section, the
29 governing body shall hold a public hearing on the question of whether the
30 area is extremely blighted after giving notice of the hearing as provided
31 in section 18-2115.01. At the public hearing, all interested parties

1 shall be afforded a reasonable opportunity to express their views
2 respecting the proposed declaration. After such hearing, the governing
3 body of the city may make its declaration.

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

8 (5) The study or analysis required under subsection (2) of this
9 section may be conducted in conjunction with the study or analysis
10 required under section 18-2109. The hearings required under this section
11 may be held in conjunction with the hearings required under section
12 18-2109.

13 (6) Notwithstanding any other provisions of the Community
14 Development Law, the designation of an area as an extremely blighted area
15 pursuant to this section shall be valid for a period of no less than
16 twenty-five years from the effective date of the resolution declaring
17 such area to be an extremely blighted area, except that such designation
18 may be removed prior to the end of such period pursuant to section 18 of
19 this act.

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

22 18-2105 (1) The governing body of a city or an authority at its
23 direction for the purposes of the Community Development Law may formulate
24 for the city ~~entire municipality~~ a workable program for utilizing
25 appropriate private and public resources to eliminate or prevent the
26 development or spread of urban blight, to encourage needed urban
27 rehabilitation, to provide for the redevelopment of substandard and
28 blighted areas, or to undertake any or all of such of the aforesaid
29 activities or other feasible ~~municipal~~ activities as may be suitably
30 employed to achieve the objectives of such workable program. Such
31 workable program may include, without limitation, provision for (a) the

1 prevention of the spread of blight into areas of the city municipality
2 which are free from blight through diligent enforcement of housing,
3 zoning, and occupancy controls and standards; (b) the rehabilitation or
4 conservation of substandard and blighted areas or portions of such areas
5 ~~thereof~~ by replanning, removing congestion, and providing parks,
6 playgrounds, and other public improvements by encouraging voluntary
7 rehabilitation and by compelling the repair and rehabilitation of
8 deteriorated or deteriorating structures; and (c) the clearance and
9 redevelopment of substandard and blighted areas or portions of such areas
10 thereof.

11 (2) As part of a workable program formulated under subsection (1) of
12 this section, the governing body of a city or an authority may develop
13 guidelines for the consideration or approval of redevelopment projects
14 that are financed in whole or in part through the division of taxes as
15 provided in section 18-2147. Such guidelines may establish general goals
16 and priorities for the use of funds from such division of taxes or
17 limitations or restrictions on the use of funds from such division of
18 taxes within such city.

19 (3) Notwithstanding any other provisions of the Community
20 Development Law, where the local governing body certifies that an area is
21 in need of redevelopment or rehabilitation as a result of flood, fire,
22 hurricane, earthquake, storm, or other catastrophe respecting which the
23 Governor of the state has certified the need for disaster assistance
24 under federal law, the local governing body may approve a redevelopment
25 plan and a redevelopment project with respect to such area without regard
26 to the provisions of the Community Development Law requiring a general
27 plan for the city municipality and notice and public hearing or findings
28 other than as provided in this section ~~herein set forth~~.

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

31 18-2109 (1) A redevelopment plan for a redevelopment project area

1 shall not be prepared and the governing body of the city in which such
2 area is located shall not approve a redevelopment plan unless the
3 governing body has, by resolution adopted after the public hearings
4 required under this section, declared such area to be a substandard and
5 blighted area in need of redevelopment.

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

16 (3) Upon receipt of the recommendations of the planning commission
17 or board, or if no recommendations are received within thirty days after
18 the public hearing required under subsection (2) of this section, the
19 governing body shall hold a public hearing on the question of whether the
20 area is substandard and blighted after giving notice of the hearing as
21 provided in section 18-2115.01. At the public hearing, all interested
22 parties shall be afforded a reasonable opportunity to express their views
23 respecting the proposed declaration. After such hearing, the governing
24 body of the city may adopt a resolution declaring that substandard and
25 blighted conditions exist in the area under study. After the governing
26 body has declared that substandard and blighted conditions exist in the
27 area under study, the governing body may, by one or more resolutions,
28 declare such area or any portion of such area to be a substandard and
29 blighted area without further public hearing.

30 (4) Copies of each substandard and blighted study or analysis
31 conducted pursuant to subsection (2) of this section shall be posted on

1 the city's public website or made available for public inspection at a
2 location designated by the city.

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

5 18-2117.01 (1)(a) On or before December 1 each year, each city which
6 has approved one or more redevelopment plans which are financed in whole
7 or in part through the division of taxes as provided in section 18-2147
8 shall provide a report to the Property Tax Administrator on each such
9 redevelopment plan which includes the following information:

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

15 (ii) A short narrative description of the type of development
16 undertaken by the city or village with the financing and the type of
17 business or commercial activity locating within the redevelopment project
18 area as a result of the redevelopment project.

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

22 (2) The report required under subsection (1) of this section must be
23 filed each year, regardless of whether the information in the report has
24 changed, except that a city is not required to refile a copy of the
25 redevelopment plan or an amendment thereto if such copy or amendment has
26 previously been filed.

27 (3) The Property Tax Administrator shall compile a report for each
28 active redevelopment project, based upon information provided by the
29 cities pursuant to subsection (1) of this section and information
30 reported by the county assessor or county clerk on the certificate of
31 taxes levied pursuant to section 77-1613.01. Each report shall be

1 electronically transmitted to the Clerk of the Legislature not later than
2 March 1 each year. The report may include any recommendations of the
3 Property Tax Administrator as to what other information should be
4 included in the report from the cities so as to facilitate analysis of
5 the uses, purposes, and effectiveness of tax-increment financing and the
6 process for its implementation or to streamline the reporting process
7 provided for in this section to eliminate unnecessary paperwork.

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

10 18-2117.02 On or before May 1 of each year, each authority, or such
11 other division or department of the city as designated by the governing
12 body, shall compile information regarding the approval and progress of
13 redevelopment projects that are financed in whole or in part through the
14 division of taxes as provided in section 18-2147 and report such
15 information to the governing body of the city and to the governing body
16 of each county, school district, community college area, educational
17 service unit, and natural resources district whose property taxes are
18 affected by such division of taxes. The report shall include, but not be
19 limited to, the following information:

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

23 (2) The total estimated project costs for all such redevelopment
24 projects;

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

28 (4) ~~(3)~~ A comparison between the initial projected valuation of
29 property included in each such redevelopment project as described in the
30 redevelopment contract or, for redevelopment projects approved using an
31 expedited review under section 18-2155, in the redevelopment plan and the

1 assessed value of the property included in each such redevelopment
2 project as of January 1 of the year of the report;

3 ~~(5)~~ (4) The number of such redevelopment projects approved by the
4 governing body in the previous calendar year;

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

9 ~~(7)~~ (6) The number of redevelopment projects for which financing has
10 been paid in full during the previous calendar year and for which taxes
11 are no longer being divided pursuant to section 18-2147; and

12 ~~(8)~~ (7) The percentage of the city that has been designated as
13 blighted.

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

16 18-2142.05 Prior to approving a redevelopment project that expressly
17 carries out the construction of workforce housing, a governing body shall
18 (1) receive a housing study which is current within twenty-four months
19 for any city of the metropolitan class or current within sixty months for
20 any other city or village, (2) prepare an incentive plan for construction
21 of housing in the municipality targeted to house existing or new workers,
22 (3) hold a public hearing on such incentive plan with notice which
23 complies with the conditions set forth in section 18-2115.01, and (4)
24 after the public hearing find that such incentive plan is necessary to
25 prevent the spread of blight and substandard conditions within the
26 municipality, will promote additional safe and suitable housing for
27 individuals and families employed in the municipality, and will not
28 result in the unjust enrichment of any individual or company. A public
29 hearing held under this section shall be separate from any public hearing
30 held under section 18-2115.

31 Sec. 17. Section 18-2147, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 18-2147 (1) Any redevelopment plan as originally approved or as
3 later modified pursuant to section 18-2117 may contain a provision that
4 any ad valorem tax levied upon real property, or any portion thereof, in
5 a redevelopment project for the benefit of any public body shall be
6 divided, for the applicable period described in subsection (4) ~~(3)~~ of
7 this section, as follows:

8 (a) That portion of the ad valorem tax which is produced by the levy
9 at the rate fixed each year by or for each such public body upon the
10 redevelopment project valuation shall be paid into the funds of each such
11 public body in the same proportion as are all other taxes collected by or
12 for the body. When there is not a redevelopment project valuation on a
13 parcel or parcels, the county assessor shall determine the redevelopment
14 project valuation based upon the fair market valuation of the parcel or
15 parcels as of January 1 of the year prior to the year that the ad valorem
16 taxes are to be divided. The county assessor shall provide written notice
17 of the redevelopment project valuation to the authority as defined in
18 section 18-2103 and the owner. The authority or owner may protest the
19 valuation to the county board of equalization within thirty days after
20 the date of the valuation notice. All provisions of section 77-1502
21 except dates for filing of a protest, the period for hearing protests,
22 and the date for mailing notice of the county board of equalization's
23 decision are applicable to any protest filed pursuant to this section.
24 The county board of equalization shall decide any protest filed pursuant
25 to this section within thirty days after the filing of the protest. The
26 county clerk shall mail a copy of the decision made by the county board
27 of equalization on protests pursuant to this section to the authority or
28 owner within seven days after the board's decision. Any decision of the
29 county board of equalization may be appealed to the Tax Equalization and
30 Review Commission, in accordance with section 77-5013, within thirty days
31 after the date of the decision;

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

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

20 (2) To the extent that a redevelopment plan authorizes the division
21 of ad valorem taxes levied upon only a portion of the real property
22 included in such redevelopment plan, any improvements funded by such
23 division of taxes shall be related to the redevelopment plan that
24 authorized such division of taxes.

25 (3)(a) For any redevelopment plan located in a city of the
26 metropolitan class that includes a division of taxes, as provided in this
27 section, that produces, in whole or in part, funds to be used directly or
28 indirectly for (i) new construction, rehabilitation, or acquisition of
29 housing for households with annual incomes below the area median income
30 for households and located within six hundred yards of a public passenger
31 streetcar or (ii) new construction, rehabilitation, or acquisition of

1 single-family housing or condominium housing used as primary residences
2 for individuals with annual incomes below the area median income for
3 individuals, such housing shall be deemed related to the redevelopment
4 plan that authorized such division of taxes regardless of whether such
5 housing is or will be located on real property within such redevelopment
6 plan, as long as such housing supports activities occurring on or
7 identified in such redevelopment plan.

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

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

17 (4)(a) ~~(3)(a)~~ For any redevelopment plan for which more than fifty
18 percent of the property in the redevelopment project area has been
19 declared an extremely blighted area in accordance with section
20 18-2101.02, ad valorem taxes shall be divided for a period not to exceed
21 twenty years after the effective date as identified in the project
22 redevelopment contract or in the resolution of the authority authorizing
23 the issuance of bonds pursuant to section 18-2124.

24 (b) For all other redevelopment plans, ad valorem taxes shall be
25 divided for a period not to exceed fifteen years after the effective date
26 as identified in the project redevelopment contract, in the resolution of
27 the authority authorizing the issuance of bonds pursuant to section
28 18-2124, or in the redevelopment plan, whichever is applicable.

29 (5) ~~(4)~~ The effective date of a provision dividing ad valorem taxes
30 as provided in subsection (4) ~~(3)~~ of this section shall not occur until
31 such time as the real property in the redevelopment project is within the

1 corporate boundaries of the city. This subsection shall not apply to a
2 redevelopment project involving a formerly used defense site as
3 authorized in section 18-2123.01.

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

20 Sec. 18. (1) If an area has been designated as a substandard and
21 blighted area under section 18-2109 or an extremely blighted area under
22 section 18-2101.02, the governing body of the city may review such area
23 at any time to determine whether the area is still eligible for the
24 relevant designation. As part of such review, the governing body may, but
25 need not:

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

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

1 (2) If a review is conducted under this section and the governing
2 body of the city finds that an area is no longer a substandard and
3 blighted area or an extremely blighted area, the governing body may
4 remove the relevant designation by passing a resolution declaring such
5 area to no longer be a substandard and blighted area or an extremely
6 blighted area. If the same area has been designated as both a substandard
7 and blighted area and an extremely blighted area, the governing body may
8 remove both designations in a single resolution.

9 (3) Removal of a substandard and blighted area designation or an
10 extremely blighted area designation pursuant to this section shall not
11 affect the validity of (a) any redevelopment plan or redevelopment
12 project involving such area that was approved prior to the removal of
13 such designation or (b) any bond, security for such bond, redevelopment
14 contract, or agreement relating to such a redevelopment plan or
15 redevelopment project.

16 Sec. 19. (1) Beginning January 1, 2026, if an area has been
17 designated as a substandard and blighted area under section 18-2109 or an
18 extremely blighted area under section 18-2101.02 for more than thirty
19 years, the governing body of the city shall not approve a new
20 redevelopment plan or redevelopment project within such area unless and
21 until the city conducts an analysis of the redevelopment projects that
22 have occurred within such area. The analysis shall, at a minimum, include
23 an assessment of the factors contributing to the lack of redevelopment in
24 those parts of the area where significant redevelopment has not occurred
25 and goals for the future redevelopment of the area. The analysis shall be
26 provided to the planning commission or board of the city and to the
27 governing body of the city. A copy of such analysis shall be made
28 available for public inspection at a location designated by the city.

29 (2) This section does not apply to the downtown area of a city of
30 the first class, city of the second class, or village. For purposes of
31 this section, downtown area means the urban core of population density

1 and concentrated commercial activity.

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

4 18-2155 (1) The governing body of a city may elect by resolution to
5 allow expedited reviews of redevelopment plans that meet the requirements
6 of subsection (2) of this section. A redevelopment plan that receives an
7 expedited review pursuant to this section shall be exempt from the
8 requirements of sections 18-2111 to 18-2115 and 18-2116.

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

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

12 (b) The redevelopment project involves:

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

17 (ii) The redevelopment of a vacant lot that is located within a
18 substandard and blighted area that has been within the corporate limits
19 of the city for at least sixty years and has been platted for at least
20 sixty years;

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

23 (d) The assessed value of the property within the redevelopment
24 project area when the project is complete is estimated to be no more
25 than:

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

28 (ii) One million five hundred thousand dollars for a redevelopment
29 project involving a multi-family residential structure or commercial
30 structure; or

31 (iii) Ten million dollars for a redevelopment project involving the

1 revitalization of a structure included in the National Register of
2 Historic Places.

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

7 (4) ~~(3)~~ The expedited review shall consist of the following steps:

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

23 (b) The redeveloper shall submit the redevelopment plan directly to
24 the governing body along with ~~any building permit or other permits~~
25 ~~necessary to complete the redevelopment project~~ and an application fee in
26 an amount set by the governing body, not to exceed fifty dollars. Such
27 application fee shall be separate from any fees for building permits or
28 other permits needed for the project; and

29 (c) ~~The If the governing body has elected to allow expedited reviews~~
30 ~~of redevelopment plans under subsection (1) of this section and the~~
31 ~~submitted redevelopment plan meets the requirements of subsection (2) of~~

1 ~~this section, the governing body shall determine whether to approve or~~
2 ~~deny the redevelopment plan within thirty days after submission of the~~
3 ~~plan. A redevelopment plan may be denied if:~~

4 ~~(i) The redevelopment plan does not meet the requirements of~~
5 ~~subsection (2) of this section;~~

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

8 ~~(iii) The redevelopment plan is inconsistent with the city's~~
9 ~~comprehensive development plan.~~

10 ~~(5) (4) Each city may select the appropriate employee or department~~
11 ~~to conduct expedited reviews pursuant to this section.~~

12 ~~(6) (5) For any approved redevelopment project that is financed in~~
13 ~~whole or in part through the division of taxes as provided in section~~
14 ~~18-2147:~~

15 ~~(a) The authority shall incur indebtedness related to the~~
16 ~~redevelopment project which in the form of a promissory note issued to~~
17 ~~the owner of record of the property within the redevelopment project~~
18 ~~area. The total amount of indebtedness shall not exceed the lesser of the~~
19 ~~agreed-upon costs of the redevelopment project or the amount estimated to~~
20 ~~be generated over a fifteen-year period from the portion of taxes~~
21 ~~mentioned in subdivision (1)(b) of section 18-2147. Such The terms of~~
22 ~~such promissory note shall clearly state that such indebtedness shall~~
23 ~~does not create a general obligation on behalf of the authority or the~~
24 ~~city in the event that the amount generated over a fifteen-year period~~
25 ~~from the portion of taxes mentioned in subdivision (1)(b) of section~~
26 ~~18-2147 does not equal the costs of the agreed-upon work to repair,~~
27 ~~rehabilitate, or replace the structure or to redevelop the vacant lot as~~
28 ~~provided in the redevelopment plan;~~

29 ~~(b) Upon completion of the agreed-upon work to repair, rehabilitate,~~
30 ~~or replace the structure or to redevelop the vacant lot as provided in~~
31 ~~the redevelopment plan, the redeveloper shall notify the county assessor~~

1 of such completion; and

2 (c) The county assessor shall then determine:

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

6 (ii) The assessed value of the property within the redevelopment
7 project area.

8 (7) ~~(6)~~ After the county assessor makes the determinations required
9 under subdivision (6)(c) ~~(5)(c)~~ of this section, the county assessor
10 shall use a standard certification form developed by the Department of
11 Revenue to certify to the authority:

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

13 (b) That a valuation increase has occurred;

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

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

16 (8) ~~(7)~~ Once the county assessor has made the certification required
17 under subsection (7) ~~(6)~~ of this section, the authority may begin to use
18 the portion of taxes mentioned in subdivision (1)(b) of section 18-2147
19 to pay the indebtedness incurred by the authority under subdivision (6)
20 (a) ~~(5)(a)~~ of this section.

21 (9) The payments shall be remitted to the holder of the indebtedness
22 owner of record of the property within the redevelopment project area.
23 The changes made to this subsection by this legislative bill shall be
24 retroactive in application and shall apply to redevelopment plans
25 approved prior to, on, or after the operative date of this section.

26 (10) ~~(8)~~ A single fund may be used for all redevelopment projects
27 that receive an expedited review pursuant to this section. It shall not
28 be necessary to create a separate fund for any such project, including a
29 project financed in whole or in part through the division of taxes as
30 provided in section 18-2147.

31 (11) The governing body of a city that elects to allow expedited

1 reviews of redevelopment plans under this section may revoke such
2 election by resolution at any time. The revocation of such election shall
3 not affect the validity of (a) any redevelopment plan or redevelopment
4 project that was approved under this section prior to the revocation of
5 such election or (b) any indebtedness incurred by the authority under
6 subdivision (6)(a) of this section prior to the revocation of such
7 election.

8 Sec. 21. Section 18-2709, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 18-2709 (1) Qualifying business means any corporation, partnership,
11 limited liability company, or sole proprietorship which derives its
12 principal source of income from any of the following: The manufacture of
13 articles of commerce; the conduct of research and development; the
14 processing, storage, transport, or sale of goods or commodities which are
15 sold or traded in interstate commerce; the sale of services in interstate
16 commerce; headquarters facilities relating to eligible activities as
17 listed in this section; telecommunications activities, including services
18 providing advanced telecommunications capability; tourism-related
19 activities; or the production of films, including feature, independent,
20 and documentary films, commercials, and television programs.

21 (2) Qualifying business also means:

22 (a) In cities of the first class, cities of the second class, and
23 villages, a business that derives its principal source of income from the
24 construction or rehabilitation of housing;

25 (b) In cities of the first class, cities of the second class, and
26 villages, a business that derives its principal source of income from
27 early childhood care and education programs;

28 (c) A business that derives its principal source of income from
29 retail trade, except that no more than forty percent of the total revenue
30 generated pursuant to the Local Option Municipal Economic Development Act
31 for an economic development program in any twelve-month period and no

1 more than twenty percent of the total revenue generated pursuant to the
2 act for an economic development program in any five-year period,
3 commencing from the date of municipal approval of an economic development
4 program, shall be used by the city for or devoted to the use of retail
5 trade businesses. For purposes of this subdivision, retail trade means a
6 business which is principally engaged in the sale of goods or commodities
7 to ultimate consumers for their own use or consumption and not for
8 resale; and

9 (d) In cities with a population of five thousand ~~two thousand five~~
10 ~~hundred~~ inhabitants or less as determined by the most recent federal
11 decennial census or the most recent revised certified count by the United
12 States Bureau of the Census, a business shall be a qualifying business
13 even though it derives its principal source of income from activities
14 other than those set out in this section.

15 (3) If a business which would otherwise be a qualifying business
16 employs people and carries on activities in more than one city in
17 Nebraska or will do so at any time during the first year following its
18 application for participation in an economic development program, it
19 shall be a qualifying business only if, in each such city, it maintains
20 employment for the first two years following the date on which such
21 business begins operations in the city as a participant in its economic
22 development program at a level not less than its average employment in
23 such city over the twelve-month period preceding participation.

24 (4) A qualifying business need not be located within the territorial
25 boundaries of the city from which it is or will be receiving financial
26 assistance.

27 (5) Qualifying business does not include a political subdivision, a
28 state agency, or any other governmental entity, except as allowed for
29 cities of the first class, cities of the second class, and villages for
30 rural infrastructure development as provided for in subdivision (3)(b) of
31 section 18-2705.

1 Sec. 22. Section 19-5504, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 19-5504 (1) On or before July 1, 2021, and by each July 1 every two
4 years thereafter, each city shall electronically submit a report to the
5 Urban Affairs Committee of the Legislature detailing its efforts to
6 address the availability of and incentives for affordable housing through
7 its zoning codes, ordinances, and regulations. Such report shall include,
8 but not be limited to:

9 (a) An overview of the city's current residential zoning
10 requirements;

11 (b) The percentage of areas within the corporate limits of the city
12 zoned for residential use which permit the construction of multifamily
13 housing and middle housing, including whether such areas are zoned
14 specifically for residential use or generally allow residential use, and
15 whether such construction is permitted with or without any additional
16 permit requirements;

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

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

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

26 (f) Whether such zoning codes, ordinances, and regulations provide
27 for density bonuses or other concessions or incentives which encourage
28 residential density, and the frequency with which such bonuses,
29 concessions, or incentives are utilized;

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

1 (h) What incentives the city applies to encourage the development of
2 affordable housing, including both direct incentives and regulatory
3 relief;

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

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

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

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

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

17 Sec. 23. Section 19-5505, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 19-5505 (1) On or before January 1, 2023, each city with a
20 population of fifty thousand or more inhabitants shall adopt an
21 affordable housing action plan. On or before January 1, 2024, each city
22 with a population of less than fifty thousand inhabitants shall adopt an
23 affordable housing action plan. Such action plan shall include, but not
24 be limited to:

25 (a) Goals for the construction of new affordable housing units,
26 including multifamily housing and middle housing, with specific types and
27 numbers of units, geographic locations, and specific actions to encourage
28 the development of affordable housing, middle housing, and workforce
29 housing;

30 (b) Goals for a percentage of areas in the city zoned for
31 residential use which permit the construction of multifamily housing and

1 middle housing;

2 (c) Plans for the use of federal, state, and local incentives to
3 encourage affordable housing, middle housing, and workforce housing,
4 including the Affordable Housing Trust Fund, the Local Option Municipal
5 Economic Development Act, tax-increment financing, federal community
6 development block grants, density bonuses, and other nonmonetary
7 regulatory relief; and

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

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

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

16 (4) {3} Any city which fails to adopt an affordable housing action
17 plan as required under subsection (1) of this section shall be required
18 to allow the development of:

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

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

24 (5) {4} A city shall amend any building zoning ordinances or
25 regulations as needed to comply with subsection (4) {3} of this section.

26 Sec. 24. Section 58-209.01, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 58-209.01 Blighted area has the same meaning as in section 18-2103
29 shall mean an area within a city or village (1) which by reason of the
30 presence of a substantial number of deteriorated or deteriorating
31 structures, defective or inadequate street layout, faulty lot layout in

1 ~~relation to size, adequacy, accessibility or usefulness, unsanitary or~~
2 ~~unsafe conditions, deterioration of site or other improvements, diversity~~
3 ~~of ownership, tax or special assessment delinquency exceeding the fair~~
4 ~~value of the land, defective or unusual conditions of title, improper~~
5 ~~subdivision or obsolete platting, or conditions which endanger life or~~
6 ~~property by fire and other causes or any combination of such factors~~
7 ~~substantially impairs or arrests the sound growth of the community,~~
8 ~~retards the provision of housing accommodations, or constitutes an~~
9 ~~economic or social liability and is detrimental to the public health,~~
10 ~~safety, morals, or welfare in its present condition and use and (2) in~~
11 ~~which there is at least one of the following conditions: (a) Unemployment~~
12 ~~in the designated area is at least one hundred twenty percent of the~~
13 ~~state or national average; (b) the average age of the residential or~~
14 ~~commercial units in the area is at least forty years; (c) more than half~~
15 ~~of the plotted and subdivided property in the area is unimproved land~~
16 ~~that has been within the city or village for forty years and has remained~~
17 ~~unimproved during that time; (d) the per capita income of the area is~~
18 ~~lower than the average per capita income of the municipality in which the~~
19 ~~area is designated; or (e) the area has had either stable or decreasing~~
20 ~~population based on the last two decennial censuses. A city of the~~
21 ~~metropolitan, primary, or first class shall not designate more than~~
22 ~~thirty-five percent of the city as blighted, a city of the second class~~
23 ~~shall not designate an area larger than fifty percent of the city as~~
24 ~~blighted, and a village shall not designate an area larger than one~~
25 ~~hundred percent of the village as blighted.~~

26 Sec. 25. Section 61-305, Revised Statutes Cumulative Supplement,
27 2022, is amended to read:

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

1 money received from any federal or state agency or public or private
2 source for use by the department for the canal project. Any money in the
3 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 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 fund.

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

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

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

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

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

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

28 Sec. 26. Section 71-6401, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 71-6401 Sections 71-6401 to 71-6407 and section 27 of this act shall
31 be known and may be cited as the Building Construction Act.

1 Sec. 27. No provision of the state building code may prohibit or
2 otherwise limit the use of a refrigerant designated as acceptable for use
3 pursuant to and in accordance with 42 U.S.C. 7671k, as such section
4 existed on January 1, 2023, as long as any equipment containing such
5 refrigerant is listed and installed in accordance with safety standards
6 and use conditions imposed pursuant to such designation.

7 Sec. 28. Section 72-1001, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 72-1001 The Nebraska Capital Construction Fund is created. The fund
10 shall consist of revenue and transfers credited to the fund as authorized
11 by law. Money shall be appropriated from the fund to state agencies for
12 making payments on projects as determined by the Legislature, including,
13 but not limited to, purchases of land, structural improvements to land,
14 acquisition of buildings, construction of buildings, including
15 architectural and engineering costs, replacement of or major repairs to
16 structural improvements to land or buildings, additions to existing
17 structures, remodeling of buildings, and acquisition of equipment and
18 furnishings of new or remodeled buildings. The fund shall be administered
19 by the State Treasurer as a multiple-agency-use fund and appropriated to
20 state agencies as determined by the Legislature. Transfers may be made
21 from the fund to the Capitol Restoration Cash Fund at the direction of
22 the Legislature. Any money in the Nebraska Capital Construction Fund
23 available for investment shall be invested by the state investment
24 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
25 State Funds Investment Act. Any investment earnings from investment of
26 money in the Nebraska Capital Construction Fund shall be credited to such
27 fund, except that for fiscal years 2023-24, 2024-25, and 2025-26, any
28 investment earnings from investment of money in the Nebraska Capital
29 Construction Fund from transfers credited to such fund that are
30 designated for the construction of a new state prison shall be credited
31 to the Economic Recovery Contingency Fund.

1 Sec. 29. Section 76-3602, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 76-3602 (1) Before conducting home inspections in this state ~~and in~~
4 ~~each even-numbered year~~, a home inspector shall register with the
5 Secretary of State. If the home inspector is an individual, the home
6 inspector shall sign such registration. If the home inspector is a firm,
7 partnership, corporation, company, association, limited liability
8 company, or other legal entity, an officer or agent of the home inspector
9 shall sign such registration. Such registration shall include:

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

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

14 (c) (3) The name and address of the agent for service of process on
15 the home inspector; and

16 (d) (4) Any national certification relating to home inspection
17 currently held by the home inspector.

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

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

22 Sec. 30. Section 76-3603, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 76-3603 At the time of registration or renewal of a registration
25 pursuant to section 76-3602, a home inspector shall:

26 (1) Pay a registration or renewal fee to the Secretary of State. The
27 Secretary of State shall set such registration or renewal fee in an
28 amount sufficient to defray the administrative costs of registration or
29 renewal but not to exceed three hundred dollars. The Secretary of State
30 shall remit such registration or renewal fee to the State Treasurer for
31 credit to the Secretary of State Cash Fund; and

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

4 Sec. 31. Section 76-3604, Revised Statutes Cumulative Supplement,
5 2022, is amended to read:

6 76-3604 A home inspector shall report a change in information
7 required by section 76-3602 or 76-3603 within forty-five calendar ~~thirty~~
8 ~~business~~ days of such change.

9 Sec. 32. Section 81-1237, Revised Statutes Cumulative Supplement,
10 2022, is amended to read:

11 81-1237 For purposes of the Middle Income Workforce Housing
12 Investment Act:

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

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

15 (3) Eligible activities of a workforce housing investment fund
16 means:

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

21 (b) Substantial repair or rehabilitation of dilapidated housing
22 stock; or

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

24 (4) HOME funds means funds awarded as formula grants under the HOME
25 Investment Partnerships Program administered by the United States
26 Department of Housing and Urban Development;

27 (5) Matching funds means dollars contributed by individuals,
28 businesses, foundations, local and regional political subdivisions, or
29 other nonprofit organizations to a workforce housing investment fund
30 administered by a nonprofit development organization;

31 (6) Nonprofit development organization means a regional or statewide

1 nonprofit development organization approved by the director;

2 (7) Qualified activities include purchase guarantees, loan
3 guarantees, loan participations, and other credit enhancements related to
4 eligible activities of the workforce housing investment fund;

5 (8) Qualified investment means a cash investment in a workforce
6 housing investment fund administered by a nonprofit development
7 organization;

8 (9) Urban community means any area that is:

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

12 (b)(i) Within or adjacent to a qualified census tract as described
13 in 26 U.S.C. 42(d)(5)(B), as such section existed on January 1, 2022; or

14 (ii) Within a city of the primary class;

15 (10) Workforce housing means:

16 (a) Owner-occupied housing units that cost not more than three
17 hundred thirty thousand dollars to construct ~~have an after-construction~~
18 ~~appraised value of at least one hundred twenty-five thousand dollars but~~
19 ~~not more than two hundred seventy-five thousand dollars.~~ For purposes of
20 this subdivision, housing unit costs (a) ~~and subdivision (b) of this~~
21 ~~subdivision, housing unit after-construction appraised value~~ shall be
22 updated annually by the department based upon the most recent increase or
23 decrease in the Producer Price Index for all commodities, published by
24 the United States Department of Labor, Bureau of Labor Statistics;

25 (b) Owner-occupied housing units for which the cost to substantially
26 rehabilitate such units exceeds fifty percent of a unit's before-
27 construction assessed value, and the after-construction appraised value
28 of the building alone is at least one hundred twenty-five thousand
29 dollars but not more than two hundred seventy-five thousand dollars. For
30 purposes of this subdivision, housing unit after-construction appraised
31 value shall be updated annually by the department based upon the most

1 recent increase or decrease in the Producer Price Index for all
2 commodities, published by the United States Department of Labor, Bureau
3 of Labor Statistics;

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

5 (d) Housing that does not receive federal or state low-income
6 housing tax credits, community development block grants, HOME funds, or
7 funds from the Affordable Housing Trust Fund; and

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

12 Sec. 33. Section 81-1238, Revised Statutes Cumulative Supplement,
13 2022, is amended to read:

14 81-1238 (1) The director shall establish a workforce housing
15 investment grant program to foster and support the development of
16 workforce housing in urban communities.

17 (2) A nonprofit development organization may apply to the director
18 for approval of a workforce housing grant for a workforce housing
19 investment fund. The application shall be in a form and manner prescribed
20 by the director. Through fiscal year 2026-27, grants shall be awarded by
21 the director on a competitive basis until grant funds are no longer
22 available. Grant maximums shall not exceed five million dollars to any
23 one nonprofit development organization over a two-year period, with the
24 cumulative amount for any single grantee to be determined by the
25 department at the discretion of the director. An applicant shall provide
26 matching funds of at least one-half of the amount of workforce housing
27 grant funds awarded. Unallocated funds held by the department shall be
28 rolled to the next program year.

29 (3) Grants shall be awarded based upon:

30 (a) A demonstrated need for additional owner-occupied housing. Need
31 can be demonstrated with a recent housing study or a letter from the

1 planning department of the city in which the fund is intending to operate
2 stating that the proposal is in line with the city's most recent
3 consolidated plan submitted under 24 C.F.R. part 91, subpart D, as such
4 subpart existed on January 1, 2020;

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

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

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

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

14 (f) (e) A demonstrated ability to grow and manage a workforce
15 housing investment fund.

16 (4) A workforce housing investment fund shall:

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

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

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

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

30 (5) A nonprofit development organization that has previously
31 received a grant or grants under the Middle Income Workforce Housing

1 Investment Act shall not be eligible for an additional grant under this
2 section unless the organization has expended at least fifty percent of
3 the funds from such previous grant or grants.

4 Sec. 34. Section 81-1239, Revised Statutes Cumulative Supplement,
5 2022, is amended to read:

6 81-1239 (1) The Middle Income Workforce Housing Investment Fund is
7 created. Funding for the grant program described in section 81-1238 shall
8 come from the Middle Income Workforce Housing Investment Fund. The Middle
9 Income Workforce Housing Investment Fund may include revenue from
10 appropriations from the Legislature, grants, private contributions, and
11 other sources. Any money in the Middle Income Workforce Housing
12 Investment Fund available for investment shall be invested by the state
13 investment officer pursuant to the Nebraska Capital Expansion Act and the
14 Nebraska State Funds Investment Act.

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

20 (3) {2} The department shall administer the Middle Income Workforce
21 Housing Investment Fund and may seek additional private or nonstate funds
22 to use in the grant program, including, but not limited to, contributions
23 from the Nebraska Investment Finance Authority and other interested
24 parties.

25 (4) {3} Interest earned by the department on grant funds shall be
26 applied to the grant program.

27 (5) {4} If a nonprofit development organization, or a recipient of
28 subaccount funds described in subsection (2) of this section, fails to
29 engage in a qualified activity within twenty-four months after receiving
30 initial grant funding, the nonprofit development organization or
31 recipient of subaccount funds shall return the grant proceeds to the

1 department for credit to the General Fund.

2 (6) ~~(5)~~ Beginning July 1, 2029, any funds held by the department in
3 the Middle Income Workforce Housing Investment Fund shall be transferred
4 to the General Fund.

5 Sec. 35. Section 81-1240, Revised Statutes Cumulative Supplement,
6 2022, is amended to read:

7 81-1240 (1) Each nonprofit development organization shall submit an
8 annual report to the director to be included as a part of the
9 department's annual status report required under section 81-1201.11. The
10 report shall certify that the workforce housing investment fund meets the
11 requirements of the Middle Income Workforce Housing Investment Act and
12 shall include a breakdown of program activities.

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

14 (a) The name and geographical location of the nonprofit development
15 organization;

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

18 (c) The number, geographical location, type, and amount of
19 investments made;

20 (d) A summary of matching funds and where such matching funds were
21 generated; and

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

24 (3) If a nonprofit development organization ceases administration of
25 a workforce housing investment fund, it shall file a final report with
26 the director in a form and manner required by the director. Before July
27 1, 2029, any unallocated workforce housing investment fund grant funds
28 shall be returned for credit to the Middle Income Workforce Housing
29 Investment Fund. On and after July 1, 2029, any unallocated workforce
30 housing investment fund grant funds shall be returned to the department
31 for transfer to the General Fund.

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

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

10 Sec. 36. Section 81-1243, Revised Statutes Cumulative Supplement,
11 2022, is amended to read:

12 81-1243 The department may adopt and promulgate rules and
13 regulations to administer and enforce the Middle Income Workforce Housing
14 Investment Act, including rules, regulations, and reporting requirements
15 relating to proposals pursuant to subdivisions (4)(e) and (f) of section
16 81-12,241.

17 Sec. 37. Section 81-12,109, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 81-12,109 (1) The department shall designate innovation hubs within
20 iHub areas to stimulate partnerships, economic development, and job
21 creation by leveraging iHub partner assets to provide an innovation
22 platform for startup businesses, economic development organizations,
23 business groups, and venture capitalists. The iHub partner assets may
24 include, but are not limited to, research parks, technology incubators,
25 universities, and federal laboratories.

26 (2) The department shall designate no more than four iHubs in the
27 first congressional district, no more than three iHubs in the second
28 congressional district, and no more than six iHubs in the third
29 congressional district.

30 Sec. 38. Section 81-12,110, Revised Statutes Cumulative Supplement,
31 2022, is amended to read:

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

- 6 (a) A statement of purpose;
- 7 (b) A signed statement of cooperation and a description of the roles
8 and relationships of each iHub partner;
- 9 (c) A clear explanation and map conveying the iHub area;
- 10 (d) A clearly identified central location for the iHub, which shall
11 be a physical location;
- 12 (e) A complete budget, including a description of secured funds,
13 pending funds, and potential future funding sources;
- 14 (f) A clearly articulated iHub management structure and plan, which
15 may include a description of the capabilities, qualifications, and
16 experience of the proposed management team, team leaders, or key
17 personnel who are critical to achieving the proposed objectives;
- 18 (g) A list of iHub assets and resources;
- 19 (h) A clearly articulated industry focus area of the iHub, including
20 industry sectors or other targeted areas for development and growth;
- 21 (i) A list of specific resources available to support and guide
22 startup companies;
- 23 (j) A five-year plan, which shall include a clearly articulated list
24 of goals to be achieved with the designation of the iHub;
- 25 (k) Defined performance standards agreed upon by the applicant and
26 the proposed iHub partners, which may include expectations for job
27 development and business creation;
- 28 (l) Evaluation procedures that will be used to measure the level of
29 achievement for each stated goal;
- 30 (m) A plan for sustainability;
- 31 (n) Demonstrated experience with innovation programs, such as

1 involvement with technology commercialization;

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

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

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

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

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

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

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

17 (3) The director shall determine whether or not to approve the
18 requested iHub designation by no later than July 1, 2023. Each iHub
19 designation shall be for a term of five years. An applicant that has
20 received a grant under subdivision (4)(a) of section 81-12,241 shall not
21 qualify for designation as an iHub.

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

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

31 (6) The department shall set guidelines for approval, designation,

1 operation, and reporting of iHubs.

2 (7) An iHub shall annually report to the director on its progress in
3 meeting the goals and performance standards as described in the iHub
4 application and the implementing memorandum of understanding with the
5 director. The report shall also include information regarding the number
6 of businesses served, the number of jobs created, and the amount of funds
7 raised by the iHub. The director shall annually post the information from
8 these reports on the department's website and provide notice to the
9 Governor and the Legislature that the information is available on the
10 website.

11 Sec. 39. Section 81-12,203, Revised Statutes Cumulative Supplement,
12 2022, is amended to read:

13 81-12,203 Project means expenses incurred or to be incurred at one
14 qualified location for:

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

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

22 Sec. 40. Section 81-12,211, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 81-12,211 (1) Except as provided in subsection (2) of this section
25 Subject to section 81-12,213, an applicant shall, subject to section
26 81-12,213, be entitled to receive matching funds from the State of
27 Nebraska as follows:

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

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

5 (2) For any project described in subdivision (2) of section
6 81-12,203, the applicant shall be entitled to receive up to five million
7 dollars of matching funds from the State of Nebraska without having to
8 make any investment in the project. Any amount of matching funds in
9 excess of five million dollars shall be paid in accordance with
10 subsection (1) of this section.

11 (3) (2) Subject to section 81-12,213, the state shall pay the
12 available matching funds to the applicant on an annual basis.

13 Sec. 41. Section 81-12,218, Revised Statutes Cumulative Supplement,
14 2022, is amended to read:

15 81-12,218 (1) The Nebraska Rural Projects Fund is hereby created.
16 The fund shall receive money from application fees paid under the
17 Nebraska Rural Projects Act and from transfers authorized by the
18 Legislature, grants, private contributions, repayments of matching funds,
19 and all other sources. Any money in the fund available for investment
20 shall be invested by the state investment officer pursuant to the
21 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
22 Act.

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

25 Sec. 42. Section 81-12,221, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 81-12,221 For purposes of the Shovel-Ready Capital Recovery and
28 Investment Act:

29 (1) Capital project means a construction project to build, expand,
30 or develop a new or existing facility or facilities or restoration work
31 on a facility designated as a National Historic Landmark;

1 (2) Cost, in the context of a capital project, means the cost of
2 land, engineering, architectural planning, contract services,
3 construction, materials, and equipment needed to complete the capital
4 project;

5 (3) COVID-19 means the novel coronavirus identified as SARS-CoV-2,
6 the disease caused by the novel coronavirus SARS-CoV-2 or a virus
7 mutating therefrom, and the health conditions or threats associated with
8 the disease caused by the novel coronavirus SARS-CoV-2 or a virus
9 mutating therefrom;

10 (4) Department means the Department of Economic Development;

11 (5) Qualified nonprofit organization means a tax-exempt organization
12 under section 501(c)(3) of the Internal Revenue Code that:

13 (a) Is related to arts, culture, or the humanities, including any
14 organization formed for the purpose of developing and promoting the work
15 of artists and the humanities in various visual and performing forms,
16 such as film, sculpture, dance, painting, horticulture, multimedia,
17 poetry, photography, performing arts, zoology, or botany;~~or~~

18 (b) Operates a sports complex;

19 (c) Is a postsecondary educational institution in a city of the
20 metropolitan class and partners with an organization hosting a regional
21 or national event for purposes of infrastructure development related to
22 furnishing and equipment for a health sciences education center, enhanced
23 mobility by vacation of a public street, pedestrian safety, and
24 construction of a community athletic complex; or

25 (d) Is a county agricultural society with facilities located within
26 the boundaries of a city of the primary class;

27 (6) Sports complex means property that:

28 (a) Includes indoor areas, outdoor areas, or both;

29 (b) Is primarily used for competitive sports; and

30 (c) Contains multiple separate sports venues; and

31 (7) Sports venue includes, but is not limited to:

- 1 (a) A baseball field;
- 2 (b) A softball field;
- 3 (c) A soccer field;
- 4 (d) An outdoor stadium primarily used for competitive sports;
- 5 (e) An outdoor arena primarily used for competitive sports; and
- 6 (f) An enclosed, temperature-controlled building primarily used for
- 7 competitive sports.

8 Sec. 43. Section 81-12,222, Revised Statutes Cumulative Supplement,
9 2022, is amended to read:

10 81-12,222 (1) Beginning July 1, ~~2023~~ ~~2021~~, through July 1, 2024 ~~15,~~
11 ~~2021~~, a qualified nonprofit organization may apply to the department for
12 a grant under the Shovel-Ready Capital Recovery and Investment Act. The
13 application shall include, but not be limited to, the following
14 information:

15 (a) A description of the qualified nonprofit organization's capital
16 project;

17 (b) The estimated cost of the capital project; and

18 ~~(c) The date when the capital project was delayed due to COVID-19~~
19 ~~and the date when the capital project is expected to begin or resume,~~
20 ~~which shall be no later than June 30, 2022; and~~

21 (c) ~~(d)~~ Documentation on the amount of funds for the capital project
22 which have been received or will be received by the qualified nonprofit
23 organization from other ~~private~~ sources. Such amount shall be at least
24 equal to the amount of any grant received under the act. The
25 documentation provided under this subdivision does not need to identify
26 the names of any donors.

27 (2) The department shall consider applications in the order in which
28 they are received. If an applicant is a qualified nonprofit organization
29 and otherwise qualifies for funding under the Shovel-Ready Capital
30 Recovery and Investment Act, the department shall, subject to subsection
31 (3) of this section, approve the application and notify the applicant of

1 the approval.

2 (3) The department may approve applications within the limits of
3 available funding. The amount of any grant approved under this section
4 shall be equal to the amount of funds to be supplied by the qualified
5 nonprofit organization from other private sources, as documented under
6 subdivision (1)(c) ~~(1)(d)~~ of this section, subject to the following
7 limitations:

8 (a) For any capital project with an estimated cost of less than five
9 hundred thousand dollars, the grant shall not exceed two hundred fifty
10 thousand dollars;

11 (b) (a) For any capital project with an estimated cost of at least
12 five hundred thousand dollars but less than five million dollars, the
13 grant shall not exceed one million five hundred thousand dollars;

14 (c) (b) For any capital project with an estimated cost of at least
15 five million dollars but less than twenty-five million dollars, the grant
16 shall not exceed five million dollars;

17 (d) (e) For any capital project with an estimated cost of at least
18 twenty-five million dollars but less than fifty million dollars, the
19 grant shall not exceed ten million dollars; ~~and~~

20 (e) (d) For any capital project with an estimated cost of at least
21 fifty million dollars but less than one hundred million dollars ~~or more,~~
22 the grant shall not exceed fifteen million dollars; ~~and~~ -

23 (f) For any capital project with an estimated cost of at least one
24 hundred million dollars, the grant shall not exceed thirty million
25 dollars.

26 Sec. 44. Section 81-12,223, Revised Statutes Cumulative Supplement,
27 2022, is amended to read:

28 81-12,223 (1) Each qualified nonprofit organization that receives a
29 grant under the Shovel-Ready Capital Recovery and Investment Act shall:

30 (a) Secure all of the other private funds described in subdivision
31 (1)(c) ~~(1)(d)~~ of section 81-12,222 through a written pledge or payment by

1 December 31, ~~2024~~ ~~2021~~, and shall begin or resume construction on the
2 organization's capital project by June 30, ~~2025~~ ~~2022~~; and

3 (b) Abide by the federal laws commonly known as the Davis-Bacon and
4 Related Acts.

5 (2) Any qualified nonprofit organization that fails to meet the
6 requirements of subsection (1) of this section shall repay any grant
7 funds received under the act.

8 Sec. 45. Section 81-12,225, Revised Statutes Cumulative Supplement,
9 2022, is amended to read:

10 81-12,225 (1) For any federal funds appropriated to the department
11 pursuant to the Shovel-Ready Capital Recovery and Investment Act, it is
12 the intent of the Legislature that the department divide the total
13 appropriation for grants to capital projects eligible under the act
14 equally for each congressional district and give priority to grant
15 requests less than or equal to five million dollars. After eligible
16 grantees with priority status have been awarded grant funds, remaining
17 funds may be awarded on a statewide basis with the department considering
18 each project based on the overall economic impact of the project to the
19 respective community and the overall benefit to the State of Nebraska. It
20 is the intent of the Legislature that the department make reasonable
21 adjustments to dates and deadlines and request additional documentation
22 pursuant to any requirements for the use of funds received pursuant to
23 the federal American Rescue Plan Act of 2021.

24 (2) For any cash funds appropriated to the department pursuant to
25 the Shovel-Ready Capital Recovery and Investment Act, it is the intent of
26 the Legislature that the department divide the total appropriation for
27 grants to capital projects eligible under the act as follows:

28 (a) Thirty million dollars for grants to nonprofit organizations
29 holding a certificate of exemption under section 501(c)(3) of the
30 Internal Revenue Code that are qualified nonprofit organizations under
31 subdivision (5)(c) of section 81-12,221; and

1 (b) Remaining funds equally by each congressional district.

2 (3) The changes made in this section and sections 81-12,220,
3 81-12,221, 81-12,222, and 81-12,223 by this legislative bill apply to all
4 grant applications filed on or after July 1, 2023. For all applications
5 filed prior to the operative date of this section, the provisions of the
6 Shovel-Ready Capital Recovery and Investment Act as they existed
7 immediately prior to such date apply.

8 ~~It is the intent of the Legislature to allocate fifteen million~~
9 ~~dollars from the General Fund and an additional amount of federal funds,~~
10 ~~subject to the appropriations process, up to the amount needed to fully~~
11 ~~fund all approved grants, from federal funds allocated to states pursuant~~
12 ~~to the American Rescue Plan Act of 2021 from the Coronavirus State Fiscal~~
13 ~~Recovery Fund and received by the State of Nebraska on or after May 26,~~
14 ~~2021, if such use is permitted under section 9901 of the American Rescue~~
15 ~~Plan Act of 2021, for use by the department for purposes of carrying out~~
16 ~~the Shovel-Ready Capital Recovery and Investment Act.~~

17 Sec. 46. Section 81-12,238, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 81-12,238 Sections 81-12,238 to 81-12,244 and section 51 of this act
20 shall be known and may be cited as the Economic Recovery Act.

21 Sec. 47. Section 81-12,240, Revised Statutes Cumulative Supplement,
22 2022, is amended to read:

23 81-12,240 For purposes of the Economic Recovery Act: τ

24 (1) Economic redevelopment area means an area in the State of
25 Nebraska in which:

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

31 (b) The average poverty rate in the area is twenty percent or more

1 for the federal census tract in the area; and

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

5 Sec. 48. Section 81-12,241, Revised Statutes Cumulative Supplement,
6 2022, is amended to read:

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

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

1 ~~division shall submit a copy of an initial coordinated plan to the~~
2 ~~Economic Recovery Special Committee of the Legislature. Not later than~~
3 ~~December 1, 2022, the division shall submit a final copy of such~~
4 ~~coordinated plan to the Economic Recovery Special Committee of the~~
5 ~~Legislature.~~

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

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

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

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

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

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

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

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

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

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

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

30 (f) Not to exceed twenty million dollars in grants to public or
31 private entities to prepare land parcels for affordable housing or

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

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

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

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

16 (a) Costs and fees associated with legal land surveys and structural
17 assessments;

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

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

21 (d) ~~(b)~~ Rehabilitation, renovation, maintenance, or other costs to
22 secure vacant or abandoned properties in disproportionately impacted
23 communities;

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

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

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

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

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

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

17 Sec. 49. Section 81-12,243, Revised Statutes Cumulative Supplement,
18 2022, is amended to read:

19 81-12,243 ~~(1)~~—The Economic Recovery Contingency Fund is created.
20 The fund shall consist of transfers by the Legislature to carry out the
21 Economic Recovery Act. Any money in the fund available for investment
22 shall be invested by the state investment officer pursuant to the
23 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
24 Act. Investment earnings on and after July 1, 2023, shall be credited to
25 the fund.

26 ~~(2) No funds shall be expended from the Economic Recovery~~
27 ~~Contingency Fund until the Economic Recovery and Incentives Division of~~
28 ~~the Department of Economic Development has submitted a final copy of its~~
29 ~~coordinated plan to the Economic Recovery Special Committee of the~~
30 ~~Legislature pursuant to section 81-12,241 and to the budget administrator~~
31 ~~of the budget division of the Department of Administrative Services.~~

1 Sec. 50. Section 81-12,244, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 81-12,244 (1) It is the intent of the Legislature to appropriate ten
4 ~~two hundred fifty~~ million dollars from the General Fund ~~federal funds~~ for
5 fiscal year 2023-24 ~~2022-23~~ to the Department of Economic Development to
6 carry out the Economic Recovery Act. ~~The federal funds described in this~~
7 ~~subsection are the funds allocated to the State of Nebraska from the~~
8 ~~federal Coronavirus State Fiscal Recovery Fund pursuant to the federal~~
9 ~~American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended. The~~
10 department may use not more than ten million dollars of such money
11 ~~federal funds~~ for the administration of the Economic Recovery Act.

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

18 (2) (3) The State Treasurer shall transfer (a) any interest earned
19 after April 19, 2022, on federal funds allocated to the State of Nebraska
20 from the federal Coronavirus State Fiscal Recovery Fund pursuant to the
21 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, to
22 the Economic Recovery Contingency Fund between June 1, 2023, and June 30,
23 2023, and on or before June 30 each year thereafter, on such dates and in
24 such amounts as directed by the budget administrator of the budget
25 division of the Department of Administrative Services, and (b) any
26 investment earnings from the investment of money in (i) the Perkins
27 County Canal Project Fund pursuant to section 61-305 and (ii) the
28 Nebraska Capital Construction Fund from transfers credited to such fund
29 that are designated for the construction of a new state prison pursuant
30 to section 72-1001 to the Economic Recovery Contingency Fund between June
31 1, 2023, and June 30, 2023, and on or before June 30 each year thereafter

1 through June 30, 2026, on such dates and in such amounts as directed by
2 the budget administrator of the budget division of the Department of
3 Administrative Services.

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

10 ~~(4) (5)~~ It is the intent of the Legislature to appropriate ten
11 million dollars from the General Fund to the Department of Economic
12 Development for fiscal year 2022-23 to provide grants under the Economic
13 Recovery Act.

14 ~~(5) (6)~~ It is the intent of the Legislature to transfer ten million
15 dollars from the General Fund to the Economic Recovery Contingency Fund
16 for fiscal year 2023-24 and ten million dollars from the General Fund to
17 the Economic Recovery Contingency Fund for fiscal year 2024-25 to provide
18 grants under the Economic Recovery Act.

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

22 Sec. 51. (1)(a) The Economic Recovery and Incentives Division of
23 the Department of Economic Development shall create and administer the
24 North and South Omaha Recovery Grant Program to provide grants as
25 provided in this section to public and private entities to respond to the
26 negative impact of the COVID-19 public health emergency and build
27 resilient and innovative communities.

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

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

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

7 (2) When considering projects for grants under this section, the
8 division shall use the coordination plan and appendices, dated January
9 10, 2023. Projects that would benefit communities and neighborhoods
10 within qualified census tracts or economic redevelopment areas located
11 within the boundaries of a city of the metropolitan class with a priority
12 on small business development, job creation, and economic development
13 within such communities and neighborhoods shall be prioritized.

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

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

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

26 (4) For grants awarded under this section, the division shall pay a
27 grantee an advance of fifty percent of the total grant awarded with the
28 remaining grant funds paid on a monthly basis until the grant is paid in
29 full or by December 31, 2027, whichever occurs sooner. If a grantee does
30 not use the grant funds paid, the division may (a) require such grantee
31 to return such unused grant funds upon a documented finding that such

1 funds have not been used or (b) reduce any future monthly payments by the
2 amount of such unused grant funds already paid.

3 Sec. 52. Section 84-612, Revised Statutes Cumulative Supplement,
4 2022, is amended to read:

5 84-612 (1) There is hereby created within the state treasury a fund
6 known as the Cash Reserve Fund which shall be under the direction of the
7 State Treasurer. The fund shall only be used pursuant to this section.

8 (2) The State Treasurer shall transfer funds from the Cash Reserve
9 Fund to the General Fund upon certification by the Director of
10 Administrative Services that the current cash balance in the General Fund
11 is inadequate to meet current obligations. Such certification shall
12 include the dollar amount to be transferred. Any transfers made pursuant
13 to this subsection shall be reversed upon notification by the Director of
14 Administrative Services that sufficient funds are available.

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

19 (4) The State Treasurer shall transfer fifty-four million seven
20 hundred thousand dollars on or after July 1, 2019, but before June 15,
21 2021, from the Cash Reserve Fund to the Nebraska Capital Construction
22 Fund on such dates and in such amounts as directed by the budget
23 administrator of the budget division of the Department of Administrative
24 Services.

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

31 (6) The State Treasurer shall transfer fifty-three million five

1 hundred thousand dollars from the Cash Reserve Fund to the Perkins County
2 Canal Project Fund on or before June 30, 2023, on such dates and in such
3 amounts as directed by the budget administrator of the budget division of
4 the Department of Administrative Services.

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

9 (8) The State Treasurer shall transfer thirty million dollars from
10 the Cash Reserve Fund to the Military Base Development and Support Fund
11 on or before June 30, 2023, but not before July 1, 2022, on such dates
12 and in such amounts as directed by the budget administrator of the budget
13 division of the Department of Administrative Services.

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

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

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

29 (12) The State Treasurer shall transfer twenty million dollars from
30 the Cash Reserve Fund to the Intern Nebraska Cash Fund on or after July
31 1, 2022, but before June 15, 2023, on such dates and in such amounts as

1 directed by the budget administrator of the budget division of the
2 Department of Administrative Services.

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

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

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

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

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

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

1 Administrative Services.

2 (19) The State Treasurer shall transfer ten million dollars from the
3 Cash Reserve Fund to the General Fund as soon as administratively
4 possible after the operative date of this section, on such dates and in
5 such amounts as directed by the budget administrator of the budget
6 division of the Department of Administrative Services.

7 (20) The State Treasurer shall transfer one million dollars from the
8 Cash Reserve Fund to the Revitalize Rural Nebraska Fund as soon as
9 administratively possible after the operative date of this section, on
10 such dates and in such amounts as directed by the budget administrator of
11 the budget division of the Department of Administrative Services.

12 Sec. 53. (1) The Game and Parks Commission shall construct,
13 develop, and manage a museum and visitor center honoring Chief Standing
14 Bear.

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

18 (a) Not more than fifteen million dollars for fiscal year 2025-26
19 from investment earnings from the Perkins County Canal Project Fund and
20 credited to the Economic Recovery Contingency Fund as provided in section
21 61-305 for construction of the museum and visitor center;

22 (b) Seven hundred fifty thousand dollars for fiscal year 2025-26
23 from investment earnings from the Perkins County Canal Project Fund and
24 credited to the Economic Recovery Contingency Fund as provided in section
25 61-305 for exhibit fabrication and historical interpretation; and

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

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

1 Sec. 54. The Game and Parks Commission shall purchase or receive by
2 donation, and subsequently rehabilitate and manage, the Mayhew Cabin
3 historical site located in Nebraska City, Nebraska.

4 Sec. 55. Sections 21, 26, 27, 32, and 57 of this act become
5 operative three calendar months after the adjournment of this legislative
6 session. The other sections of this act become operative on their
7 effective date.

8 Sec. 56. If any section in this act or any part of any section is
9 declared invalid or unconstitutional, the declaration shall not affect
10 the validity or constitutionality of the remaining portions.

11 Sec. 57. Original sections 18-2709 and 71-6401, Reissue Revised
12 Statutes of Nebraska, and section 81-1237, Revised Statutes Cumulative
13 Supplement, 2022, are repealed.

14 Sec. 58. Original sections 16-312, 16-404, 16-503, 17-110, 17-614,
15 18-2101, 18-2101.02, 18-2105, 18-2109, 18-2117.01, 18-2117.02,
16 18-2142.05, 18-2147, 18-2155, 19-5504, 19-5505, 58-209.01, and 72-1001,
17 Reissue Revised Statutes of Nebraska, and sections 61-305, 76-3602,
18 76-3603, 76-3604, 81-1238, 81-1239, 81-1240, 81-1243, 81-12,109,
19 81-12,110, 81-12,203, 81-12,211, 81-12,218, 81-12,221, 81-12,222,
20 81-12,223, 81-12,225, 81-12,238, 81-12,240, 81-12,241, 81-12,243,
21 81-12,244, and 84-612, Revised Statutes Cumulative Supplement, 2022, are
22 repealed.

23 Sec. 59. Since an emergency exists, this act takes effect when
24 passed and approved according to law.