

**ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026**  
**COMMITTEE STATEMENT**  
**LB1114**

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**Hearing Date:** Tuesday February 10, 2026  
**Committee On:** Urban Affairs  
**Introducer:** Urban Affairs  
**One Liner:** Change provisions related to eligibility of redevelopment plans for expedited review under the Community Development Law

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**

<b>Aye:</b>	6	Senators McKinney, Andersen, Cavanaugh, J., Quick, Rountree, Sorrentino
<b>Nay:</b>	1	Senator Clouse
<b>Absent:</b>		
<b>Present Not Voting:</b>		

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**Testimony:**

**Proponents:**

Senator Terrell McKinney  
Sue Crawford

Christy Abraham

**Representing:**

Opening Presenter  
City of York, York County Economic Development Corporation, Nebraska Economic Developers Association  
League of Nebraska Municipalities

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 1114 amends Section 18-2155 of the Nebraska statutes related to the Community Development Law. The bill changes provisions related to the eligibility of redevelopment plans for expedited review. These eligibility changes include the number of years a structure has been within the corporate limits of a city, reducing such length of time from 60 years to 25 years. The bill also makes an allowance for platted or nonconforming lots of record in an expedited review.

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**Explanation of amendments:**

The Committee considered and adopted an amendment which accomplished the following:  
The Standing Committee Amendment (AM 2360) amends LB 1114 as introduced and incorporates LB 850, LB 915 as amended, LB 976, LB 981, and LB 1130 as amended into LB 1114.

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LB 1114- Section 75 of AM 2360.

LB 1114 amends Section 18-2155 of the Nebraska statutes related to the Community Development Law. The bill changes provisions related to the eligibility of redevelopment plans for expedited review. These eligibility changes include the number of years a structure has been within the corporate limits of a city, reducing such length of time from 60 years to 25 years. The bill also makes an allowance for platted or nonconforming lots of record in an expedited review. AM 2360 makes no changes to the original version of the bill.

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LB 850- Sections 76, 77 of AM 2360.

LB 850 amends the Local Option Municipal Economic Development Act to allow cities of the metropolitan and primary classes to use economic development programs for the purpose of the construction or rehabilitation of housing.

LB 850 was amended in LB 1114 on a 7-0 vote of the committee:

Aye- Senators McKinney, Clouse, Andersen, J. Cavanaugh, Quick, Rountree, Sorrentino

LB 850 had a public hearing on January 27, 2026, with the following testimony:

Testifiers on LB850:

Proponents:

Senator John Cavanaugh, J. , Opening Presenter

Ward F Hoppe, Hoppe Development

Christy Abraham, League of Nebraska Municipalities

Zeke Rouse, Spark

Opponents: None

Neutral: None

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LB 915- Section 73 of AM 2360.

LB 915 changes the number of inland port districts that may be created under the Municipal Inland Port Authority Act from five to six. AM 2265 to LB 915 changes county population eligibility and the number of allowed inland port districts from six to eight.

LB 915 was amended in LB 1114 on a 6-1 vote of the committee:

Aye- Senators McKinney, Andersen, J. Cavanaugh, Quick, Rountree, Sorrentino

Nay- Senator Clouse

LB 915 had a public hearing on February 17, 2026, with the following testimony:

Testifiers on LB915:

Proponents:



Senator Loren Lippincott , Opening Presenter

Mary Berlie, Grand Island Economic Development Corporation, Nebraska Chamber of Commerce and Industry

Jen Creager, Greater Omaha Chamber

Opponents:

Gary Person, North Platte Area Chamber and Development Corporation

Micaela Wuehler, Lincoln County

Neutral: None

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LB 976- Sections 78, 79 of AM 2360.

LB 976 extends the number years after the first election of SID trustees, when three members of the SID board of trustees shall be elected by the legal property owners residing within such district, and provides that two members shall be elected by all of the owners of real estate located in the district. The bill also requires that contracts with a value of \$50,000 or more can be let by an SID to the lowest responsible bidder.

LB 976 was amended in LB 1114 on a 7-0 vote of the committee:

Aye- Senators McKinney, Clouse, Andersen, J. Cavanaugh, Quick, Rountree, Sorrentino

LB 976 had a public hearing on February 17, 2026, with the following testimony:

Testifiers on LB976:

Proponents:

Senator Bob Andersen , Opening Presenter

Patrick J. Sullivan, Eastern Nebraska Development Council, Adam & Sullivan P.C., L.L.O.

Adam Flanagan, Welcome Home Coalition

Opponents: None

Neutral: None

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LB 981- Sections 74, 85, 86, 87, 88, 89 of AM 2360.

LB 981 amends the Nebraska Housing Agency Act to provide prescribed responsibilities for a housing agency for a city of the metropolitan class in response to bed bugs in dwelling units. The bill requires the housing agency to conduct inspections, disclose infestations to prospective tenants, and promptly address reported bed bug issues through professional pest control services. The housing agency is also responsible for maintaining records of all complaints and control measures provided and for the costs of investigation and remediation.

LB 981 was amended into LB 1114 on a 6-0-1 vote of the committee:

Aye- Senators McKinney, Clouse, J. Cavanaugh, Quick, Rountree, Sorrentino

Present Not Voting- Senator Andersen

LB 981 had a public hearing on February 3, 2026, with the following testimony:



Testifiers on LB981:

Proponents:

Senator Terrell McKinney , Opening Presenter  
Alicia Christensen, Together Omaha  
Ryan Nickell, Self

Opponents:

Jennifer Taylor, Omaha Housing Authority

Neutral: None

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LB 1130- Sections 1-72, 80-84, 90-102 of AM 2360.

LB 1130 establishes the Community Improvement District Act, allowing property owners to voluntarily form Community Improvement Districts (CIDs) to finance, construct, and maintain public infrastructure and amenities within city or village limits. AM 2139 to LB 1130 harmonizes language to add references to the new Act or CIDs where applicable from Nebraska Revised Statutes chapters 10, 13, 32, and 77.

LB 1130 was amended into LB 1114 on a 7-0 vote of the committee:

Aye- Senators McKinney, Clouse, Andersen, J. Cavanaugh, Quick, Rountree, Sorrentino

LB 1130 had a public hearing on February 3, 2026, with the following testimony:

Testifiers on LB 1130:

Proponents:

Senator Mike Jacobson , Opening Presenter  
Adam Flanagan, Welcome Home  
Bill Swanson, Nebraska Association of Realtors  
Phil Green, City of Blair  
Nate McHargue, Olsson, Lincoln Chamber of Commerce, Greater Omaha Chamber, Nebraska State Chamber of Commerce and Industry  
Justin Brady, Metro Omaha Builders Association, Nebraska State Home Builders Association, Home Builders Association of Lincoln  
Tracie McPherson, Habitat for Humanity Omaha

Opponents: None

Neutral:

Jill Becker, Black Hills Energy  
David Cary, City of Lincoln  
Christy Abraham, League of Nebraska Municipalities

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Section by Section Summary of AM 2360:

Section 1: A new section of law. Creates and names the Community Improvement District Act. (LB 1130)



Section 2: A new section of law. Outlines definitions for purposes of the Act. The definitions included are administrator, bond, capital outlay, development, operation and maintenance expenses, public infrastructure, public waterways, redevelopment, and warrant. (LB 1130)

Section 3: A new section of law. Allows a majority of owners having an interest in the real property within the limits of a proposed community improvement (CID) district to propose formation of a CID for the purpose of construction, installation, improvement, and repair of public infrastructure. The section also outlines what the articles of association shall state. (LB 1130)

Section 4: A new section of law. Requires the clerk of the city or village where the articles are filed to schedule a hearing within ninety days after the date of filing the articles of association. The section also requires the clerk to give notice of the hearing by publishing it and mailing notice to each owner of property located within the proposed district. (LB 1130)

Section 5: A new section of law. Allows any owner of property within the proposed CID who did not sign the articles of association to file written objections. (LB 1130)

Section 6: A new section of law. Provides for the public hearing on the proposed CID and authorizes the city or villages governing body to create the district by ordinance. (LB 1130)

Section 7: A new section of law. Provides that once the city or village creates the CID, the district becomes a body corporate and politic (a public corporation.) (LB 1130)

Section 8: A new section of law. Requires that after the CID is created, certified copies of the ordinance and other required documents are to be filed with the Secretary of State. (LB 1130)

Section 9: A new section of law. Requires the board to hold an initial organization meeting and elect a chairperson and clerk. (LB 1130)

Section 10: A new section of law. Requires the clerk to file a statement with the county describing the district's boundaries and identifying the district's authority to levy taxes and impose special assessments. (LB 1130)

Section 11: A new section of law. Requires the chairperson, clerk, and any appointed administrator to be bonded in an amount set by the board to protect the district from losses caused by misconduct or failure to perform official duties. (LB 1130)

Section 12: A new section of law. Requires the board or administrator to provide the city or village notice of district meetings. (LB 1130)

Section 13: A new section of law. Requires the board to prepare an annual statement by December 31st of each year containing specified information about the district. (LB 1130)

Section 14: A new section of law. Establishes the procedures for electing trustees for the CID. (LB 1130)

Section 15: A new section of law. Requires appointment of an election board to oversee trustee elections. The section also establishes procedures for contesting an election in district court. (LB 1130)

Section 16: A new section of law. Requires the election commissioner or county clerk to determine each year which CIDs are required to hold trustee elections and to carry out the related administrative duties. (LB 1130)



Section 17: A new section of law. Requires that trustee elections still be held even if an administrator has been appointed for the district. (LB 1130)

Section 18: A new section of law. Authorizes a CID to acquire real and personal property and interests in property. The section also allows the district to obtain needed property inside or outside the district boundaries. (LB 1130)

Section 19: A new section of law. Authorizes a CID to use eminent domain to acquire private property needed for public infrastructure improvements when the property must be taken or damaged to carry out the project. (LB 1130)

Section 20: A new section of law. Authorizes a CID to enter upon state or public lands when necessary to construct or maintain public infrastructure improvements. (LB 1130)

Section 21: A new section of law. Authorizes the district to levy an annual property tax on taxable property within the district up to the maximum rate approved in the articles, and requires the levy to be certified and collected in the same manner as other property taxes. (LB 1130)

Section 22: A new section of law. Grants the board of trustees authority to construct or maintain public infrastructure related to the CID, and to contract with the city or village for any public purpose. The section also requires city or village approval of the plans/contracts and estimated costs before installing public infrastructure or entering into a contract with another political subdivision. (LB 1130)

Section 23: A new section of law. Establishes a process for amending the CID articles of association to change the maximum permitted levy rate. (LB 1130)

Section 24: A new section of law. Requires that any CID contract for construction work when the expense exceeds \$50,000 must be awarded to the lowest responsible bidder. (LB 1130)

Section 25: A new section of law. Requires a CID's board of trustees to first propose a resolution of necessity before undertaking a contemplated public infrastructure improvement, including an estimated project cost and identifying the area within the district proposed to be specially assessed for the improvement. (LB 1130)

Section 26: A new section of law. Requires the board of trustees to give notice and hold a hearing on the proposed resolution of necessity for a public infrastructure improvement. (LB 1130)

Section 27: A new section of law. Authorizes the board of trustees, after completing the notice and hearing process, to adopt a resolution to order the public infrastructure improvement. (LB 1130)

Section 28: A new section of law. Authorizes the district to finance public infrastructure improvements through special assessments and to issue bonds and warrants payable from those assessments and other available district revenues. (LB 1130)

Section 29: A new section of law. Requires the district to pay interest on certain unpaid amounts owed to a contractor when the contractor has properly submitted the required pay request and supporting documentation and payment is not made within the required time. (LB 1130)

Section 30: A new section of law. Requires the engineer to file a certificate of acceptance with the CID clerk and the city or village clerk, and provides the work is not considered accepted until approved by the city or village and then accepted by the board or administrator by resolution. If special assessments will be levied, requires the engineer to



prepare and file a statement of costs, plat, and proposed assessment schedule within 60 days, and requires the board or administrator to set a hearing and publish notice; objections generally must be filed in writing within 20 days after first publication or are waived. (LB 1130)

Section 31: A new section of law. Allows a property owner (or other aggrieved person) and the city or village to appeal the board's or administrator's final assessment determination to the district court within the time allowed. (LB 1130)

Section 32: A new section of law. Requires the board or administrator to levy and certify special assessments (including to the county clerk) after they are fixed, and sets timing rules for when assessments become due and how they are collected. (LB 1130)

Section 33: A new section of law. Limits special assessments to property that is specially benefited by the public infrastructure improvement and provides rules for property that is otherwise exempt from taxation but receives special benefits. (LB 1130)

Section 34: A new section of law. Establishes when special assessments are due and payable, including installment options where applicable, and provides for interest on unpaid installments. (LB 1130)

Section 35: A new section of law. Authorizes and governs the use of a sinking fund (or similar fund) for money received from special assessments and related charges for an improvement. (LB 1130)

Section 36: A new section of law. Authorizes the district to issue bonds and warrants to pay for public infrastructure improvements and related costs, and sets requirements for terms such as maturity and repayment. (LB 1130)

Section 37: A new section of law. Establishes a process to enlarge the district by adding land, generally through a petition by the owners of the land to be added and action by the city or village under the Community Improvement District Act's procedures. (LB 1130)

Section 38: A new section of law. Establishes the procedure to dissolve a community improvement district, including notice and a hearing and required filings after dissolution. Provides that a district may not be dissolved if it has outstanding bonds or warrants unless the bondholders and warrant holders consent. (LB 1130)

Section 39: A new section of law. Authorizes the merger of two community improvement districts located in the same city or village through a joint resolution and the Act's notice and hearing procedures. (LB 1130)

Section 40: A new section of law. Establishes a process for detaching property from a community improvement district through notice and hearing procedures. Prohibits detachment if the district has outstanding bonds or warrants, unless the bondholders and warrant holders consent. (LB 1130)

Section 41: A new section of law. Provides a procedure for situations where land is included in two community improvement districts, allowing the districts to resolve the overlap by agreement or, if necessary, by district court action. (LB 1130)

Section 42: A new section of law. Allows the board of trustees, bondholders, warrant holders, property owners, resident voters, or the city or village to petition the district court to refer a community improvement district to the Auditor of Public Accounts for appointment of an administrator. (LB 1130)

Section 43: A new section of law. Requires the district court to set the time for a hearing on a petition and directs the court clerk to publish notice of the petition once per week for three consecutive weeks. Requires the petitioner, within



five days after the first publication, to mail a copy of the notice to all holders of outstanding bonds and warrants, the trustees (if the board did not file the petition), the city or village, and certain record property owners. (LB 1130)

Section 44: A new section of law. Specifies what the petition for appointment of an administrator must include, including an allegation that the community improvement district has defaulted on a bond, warrant, or other indebtedness (or is otherwise unable to meet its obligations) or that the district lacks a functioning board. (LB 1130)

Section 45: A new section of law. Allows any interested person to appear in the administrator appointment proceeding and to file an answer, motion to dismiss, or other responsive pleading. (LB 1130)

Section 46: A new section of law. Authorizes the district court, after hearing, to issue an order referring the community improvement district to the Auditor of Public Accounts for appointment of an administrator and to suspend the board's authority. (LB 1130)

Section 47: A new section of law. Requires the Auditor of Public Accounts, upon receiving a court order referring to the district, to appoint an administrator for the community improvement district. Provides that the Auditor must issue a certificate (or other formal documentation) of the administrator's appointment and take the administrative steps necessary to effectuate the appointment under the Community Improvement District Act. (LB 1130)

Section 48: A new section of law. Provides that once the administrator is appointed and the Auditor issues the certificate of appointment, the board of trustees' powers are suspended and the administrator assumes exclusive authority to exercise the powers and duties of the district. (LB 1130)

Section 49: A new section of law. Authorizes the administrator to negotiate and enter into a compromise or settlement regarding the district's outstanding bonds, warrants, or other indebtedness, subject to approval by the district court. (LB 1130)

Section 50: A new section of law. Creates an administration tax within a community improvement district to fund the costs of administration when an administrator is appointed, including the administrator's compensation and expenses. (LB 1130)

Section 51: A new section of law. Provides for the administrator's continued service and the process for terminating administrator control, including allowing a petition to the district court for review or for an order ending the administrator's authority. (LB 1130)

Section 52: A new section of law. Defines key terms used in the trustee recall provisions, including "filing clerk," "qualified property owning voter," and "qualified resident voter." (LB 1130)

Section 53: A new section of law. Authorizes the recall of trustees and sets petition requirements, including who may sign (qualified property owning voters and, where applicable, qualified resident voters) and how signatures are weighted based on ownership interests. (LB 1130)

Section 54: A new section of law. Requires the Secretary of State to prescribe uniform recall petition papers for use in recalling a trustee and sets procedures for obtaining and using those forms. (LB 1130)

Section 55: A new section of law. Requires the principal circulator(s) to file all petition papers for a trustee recall as one instrument with the filing clerk within 30 days after the initial petition papers are issued. Requires the filing clerk, within 15 days after filing, to determine whether the petition has sufficient signatures; no new signatures may be added after filing, and signatures may be removed only if the filing clerk receives a signed affidavit requesting removal



before the papers are filed for verification. (LB 1130)

Section 56: A new section of law. Provides that if the filing clerk determines the recall petition is sufficient, the clerk must promptly notify the trustee who is the subject of the petition and transmit the petition materials to the appropriate election official. (LB 1130)

Section 57: A new section of law. Prescribes the required ballot form for a trustee recall election, including the wording of the recall question and the “for or against” voting options. (LB 1130)

Section 58: A new section of law. Provides the effect of a recall election. If a majority votes to recall, the trustee is removed and the office becomes vacant. Establishes how vacancies are filled, including requiring a special election if two or more trustee seats become vacant due to recall and limiting reappointment or reelection of a removed trustee as provided in the Community Improvement District Act. (LB 1130)

Section 59: A new section of law. Provides that no recall petition filing form shall be filed against a trustee within twelve months after a recall election has failed to remove him or her from office, within six months after the beginning of his or her term of office, or within six months prior to the incumbent filing deadline for the office. (LB 1130)

Section 60: Amends Section 10-127 to add reference to community improvement districts. (LB 1130)

Section 61: Amends Section 10-131 to add reference to community improvement districts. (LB 1130)

Section 62: Amends Section 10-133 to add reference to community improvement districts. (LB 1130)

Section 63: Amends Section 10-134 to add reference to community improvement districts. (LB 1130)

Section 64: Amends Section 10-615 to add reference to community improvement districts. (LB 1130)

Section 65: Amends Section 10-1103 to add reference to community improvement districts. (LB 1130)

Section 66: Amends Section 10-1203 to add reference to community improvement districts. (LB 1130)

Section 67: Amends Section 13-402 to add reference to community improvement districts. (LB 1130)

Section 68: Amends Section 13-503 to add reference to community improvement districts. (LB 1130)

Section 69: Amends Section 13-518 to add reference to community improvement districts. (LB 1130)

Section 70: Amends Section 13-803 to add reference to community improvement districts. (LB 1130)

Section 71: Amends Section 13-2022 to add reference to community improvement districts. (LB 1130)

Section 72: Amends Section 13-2503 to add reference to community improvement districts. (LB 1130)

Section 73: Amends Section 13-3304 to amend the county population eligibility for inland port districts from twenty thousand inhabitants to fifteen thousand inhabitants. The section also increases the statewide cap on inland port districts from five to eight. (LB 915)

Section 74: Amends Section 14-102 to require any housing authority in a city of the metropolitan class to comply with



any city rental inspection and registration ordinance, code enforcement, and inspection of residential rental properties. (LB 981)

Section 75: Amends Section 18-2155 to change eligibility for expedited review under the Community Development Law. These eligibility changes include the number of years a structure has been within the corporate limits of a city, reduced from 60 to 25 years, and an allowance for platted or nonconforming lots of record. (LB 1114)

Section 76: Amends Section 18-2705 to allow cities of the metropolitan and primary classes to use economic development programs for the purpose of the construction or rehabilitation of housing. (LB 850)

Section 77: Amends Section 18-2709 to remove city classification specifications under the definition of "qualifying business." (LB 850)

Section 78: Amends Section 31-735 to change the timing of trustee elections by resident property owners, requiring resident property owners to elect trustees beginning either four or six years after the first election. The section also requires, at the election held after the first election of trustees, for the amount of years to be eight, rather than six. (LB 976)

Section 79: Amends Section 31-741 to raise the competitive bidding threshold for SID construction, materials, and equipment contracts from \$20,000 to \$50,000. (LB 976)

Section 80: Amends Section 32-112.02 to add reference to community improvement districts. (LB 1130)

Section 81: Amends Section 32-404 to add reference to community improvement districts. (LB 1130)

Section 82: Amends Section 32-608 to add reference to community improvement districts. (LB 1130)

Section 83: Amends Section 32-1203 to add reference to community improvement districts. (LB 1130)

Section 84: Amends Section 32-1302 to add reference to community improvement districts. The section also provides that a trustee of a community improvement district may be removed from office by recall. (LB 1130)

Section 85: Amends Section 71-1572 to add sections 88 and 89 of this amendment to the Nebraska Housing Agency Act. (LB 981)

Section 86: Amends Section 71-1575 to define "bed bug" and "pest control professional" under the Nebraska Housing Agency Act. (LB 981)

Section 87: Amends Section 71-15,169 to require the agency to provide complainants with regular updates and reasonable notice. Additional requirements for any complaints involving an actual suspected bed bug infestation are also provided. These requirements include notice, remedial services, and a written record of the complaint. (LB 981)

Section 88: A new section of law. The section provides responsibilities for housing agencies in a city of the metropolitan class relating to bed bugs. (LB 981)

Section 89: A new section of law. The section requires a housing agency for a city of the metropolitan class to submit a report every six months to such city of the metropolitan class and to the Urban Affairs Committee of the Legislature. (LB 981)



Section 90: Amends Section 77-1701 to add reference to community improvement districts. (LB 1130)

Section 91: Amends Section 77-1838 to add reference to community improvement districts. (LB 1130)

Section 92: Amends Section 77-1842 to add reference to community improvement districts. (LB 1130)

Section 93: Amends Section 77-1858 to add reference to community improvement districts. (LB 1130)

Section 94: Amends Section 77-1901 to add reference to community improvement districts. (LB 1130)

Section 95: Amends Section 77-1902 to add reference to community improvement districts. (LB 1130)

Section 96: Amends Section 77-1909 to add reference to community improvement districts. (LB 1130)

Section 97: Amends Section 77-1914 to add reference to community improvement districts. (LB 1130)

Section 98: Amends Section 77-1915 to add reference to community improvement districts. (LB 1130)

Section 99: Amends Section 77-1916 to add reference to community improvement districts. (LB 1130)

Section 100: Amends Section 77-1917.01 to add reference to community improvement districts. (LB 1130)

Section 101: Amends Section 77-3442 to allow community improvement districts to levy a property tax pursuant to the Community Improvement District Act up to the maximum levy rate specified in the ordinance passed by the city council of the city or village board of trustees of the village in which such community improvement district is located. (LB 1130)

Section 102: Amends Section 77-3443 to add reference to community improvement districts. (LB 1130)

Section 103: Operative dates.

Section 104: Repealer

Section 105: Repealer

Section 106: Emergency Clause

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Terrell McKinney, Chairperson

