

**ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023**  
**COMMITTEE STATEMENT**  
**LB45**

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**Hearing Date:** Tuesday February 21, 2023  
**Committee On:** Urban Affairs  
**Introducer:** Dorn  
**One Liner:** Create the Revitalize Rural Nebraska Grant Fund

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

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**Vote Results:**

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

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**Testimony:**

**Proponents:**

Senator Dorn  
Jan Tietjon  
Kyle Svec  
Tobias Tempelmeyer  
Christy Abraham  
Don Wesley  
Dexter Schrodt  
Jay Ferris  
Rhonda Brubacher  
MATTHEW DOCKHORN  
Tom Essman  
James Goodrich  
Karla Joe  
Dean Krueger  
Trevor Lee  
Jo Leyland  
Tarryn Mose  
Cheryl Pease  
Amy Peterson

**Representing:**

District #30  
City of Hebron  
City of Geneva  
City of Beatrice  
League of Municipalities/NEDA  
Greater Nebraska Cities  
Nebraska Independent Community Bankers  
Nebraska Farm Bureau  
self  
Self  
Self  
Self  
Hebron LB840 Citizen's Advisory Committee  
Self  
Self  
City of Imperial  
Self  
Self  
Self

**Opponents:**

**Representing:**

**Neutral:**

Carley Bruning

**Representing:**

Thayer County Economic Development Alliance

\* ADA Accommodation Written Testimony

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

LB 45 would create the Revitalize Rural Nebraska Grant Fund for cities of the first class, second class, or village. This grant would provide for a dilapidated commercial property demolition, and would be run by the Department of Environment and Energy. There shall be no limit on the amount that can be awarded to each application within the available funding.

**Background & Legislative History:**

LB 45 originated from the clerk in Hebron, NE, who wanted to address the city's deteriorating downtown area.

The language of LB 45 is based off of the Waste Reduction and Recycling Act, which was expanded by LB 180 (2009) to include grants for the reimbursement of costs for the deconstruction of abandoned buildings, and to encourage the recycling or reuse of the building's materials.

Though the language in LB 45 sets the same parameters as the Act, the former covers "demolition," while the latter covers "deconstruction." Deconstruction means that costs will be related to the recovery and processing of recyclable or reusable material from the abandoned buildings. Demolition, on the other hand, simply means tearing down.

**Section-by-Section Summary:**

Section 1 of the bill creates the Revitalize Rural Nebraska Grant Program. Under this act, the governing body of a first class city, second class city, or village may apply to the Department of Environment and Energy for approval of a dilapidated commercial property demolition grant. The Program would begin in FY 2023-24. There shall be no limits on the amount that can be awarded to each applicant.

Section 2 of the bill lays out the requirements of receiving a Revitalize Rural Nebraska Grant.

Section 3 of the bill provides that if the city or village fails to engage in the demolition of the commercial property identified in the grant within 24 months after receiving the grant, the city or village shall return the grant to the Department of Environment and Energy.

Section 4 of the bill creates the Revitalize Rural Nebraska Fund. This fund shall be used by the Department of Environment and Energy for the Revitalize Rural Nebraska Grant Program. The State Treasurer shall annually transfer \$10,000,000 from the general fund beginning in FY 2023-24, and ending in FY 2027-28.

Section 5 of the bill adds an emergency clause.

**Technical Comments:**

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

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Terrell McKinney, Chairperson