

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1384

Introduced by Raybould, 28.

Read first time January 17, 2024

Committee:

1 A BILL FOR AN ACT relating to economic development; to amend sections
2 58-703 and 58-706, Reissue Revised Statutes of Nebraska, and section
3 81-1210.04, Revised Statutes Cumulative Supplement, 2022; to create
4 the Transforming Cities and Villages Program and provide for grants
5 as prescribed; to change provisions of the Affordable Housing Trust
6 Fund; to change provisions of and transfer money from the Intern
7 Nebraska Cash Fund; to eliminate obsolete provisions; to harmonize
8 provisions; to repeal the original sections; and to declare an
9 emergency.
10 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) For purposes of this section:

2 (a) Department means the Department of Economic Development; and

3 (b) Eligible applicant means any city or village with a community
4 development financial institution.

5 (2) The department shall create the Transforming Cities and Villages
6 Program to award grants for a specified purpose described in subsection
7 (3) of this section to any eligible applicant.

8 (3) An eligible applicant may apply to the department for a grant
9 under the Transforming Cities and Villages Program. Any grant received by
10 an eligible applicant shall be used for the purpose of constructing
11 housing to address affordable housing needs in cities and villages. The
12 department shall award up to ten million dollars of available grant money
13 for such purpose. Any eligible applicant that receives a grant under this
14 section may work with a community development financial institution to
15 implement and complete the purpose for which the grant was received.

16 (4) The department may adopt and promulgate rules and regulations to
17 carry out this section.

18 (5) It is the intent of the Legislature to appropriate ten million
19 dollars for fiscal year 2024-25 for the purposes of this section.

20 Sec. 2. Section 58-703, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 58-703 (1) The Affordable Housing Trust Fund is created. The fund
23 shall receive money pursuant to section 76-903 and may include revenue
24 from sources recommended by the housing advisory committee established in
25 section 58-704, ~~appropriations from the Legislature,~~ transfers authorized
26 by the Legislature, grants, private contributions, repayment of loans,
27 and all other sources.

28 (2) The Department of Economic Development shall administer the
29 Affordable Housing Trust Fund for the following purposes:

30 (a) As as part of its comprehensive housing affordability strategy;
31 and shall administer the Affordable Housing Trust Fund.

1 (b) Providing grants under section 1 of this act.

2 (3) Transfers may be made from the Affordable Housing Trust Fund to
3 the General Fund, the Behavioral Health Services Fund, the Lead-Based
4 Paint Hazard Control Cash Fund, the Rural Workforce Housing Investment
5 Fund, and the Site and Building Development Fund at the direction of the
6 Legislature.

7 ~~The State Treasurer shall transfer fifty-eight thousand one hundred~~
8 ~~eighty-eight dollars from the Affordable Housing Trust Fund to the~~
9 ~~General Fund on or before September 15, 2019, on such date as directed by~~
10 ~~the budget administrator of the budget division of the Department of~~
11 ~~Administrative Services.~~

12 Sec. 3. Section 58-706, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 58-706 The following activities are eligible for assistance from the
15 Affordable Housing Trust Fund:

16 (1) New construction, rehabilitation, or acquisition of housing to
17 assist low-income and very low-income families;

18 (2) Matching funds for new construction, rehabilitation, or
19 acquisition of housing units to assist low-income and very low-income
20 families;

21 (3) Technical assistance, design and finance services, and
22 consultation for eligible nonprofit community or neighborhood-based
23 organizations involved in the creation of affordable housing;

24 (4) Matching funds for operating costs for housing assistance groups
25 or organizations when such grant or loan will substantially increase the
26 recipient's ability to produce affordable housing;

27 (5) Mortgage insurance guarantees for eligible projects;

28 (6) Acquisition of housing units for the purpose of preservation of
29 housing to assist low-income or very low-income families;

30 (7) Projects making affordable housing more accessible to families
31 with elderly members or members who have disabilities;

1 (8) Projects providing housing in areas determined by the Department
2 of Economic Development to be of critical importance for the continued
3 economic development and economic well-being of the community and where,
4 as determined by the department, a shortage of affordable housing exists;

5 (9) Infrastructure projects necessary for the development of
6 affordable housing;

7 (10) Downpayment and closing cost assistance;

8 (11) Demolition of existing vacant, condemned, or obsolete housing
9 or industrial buildings or infrastructure;

10 (12) Housing education programs developed in conjunction with
11 affordable housing projects. The education programs must be directed
12 toward:

13 (a) Preparing potential home buyers to purchase affordable housing
14 and postpurchase education;

15 (b) Target audiences eligible to utilize the services of housing
16 assistance groups or organizations; and

17 (c) Developers interested in the rehabilitation, acquisition, or
18 construction of affordable housing;

19 (13) Support for efforts to improve programs benefiting homeless
20 youth;

21 (14) Vocational training in the housing and construction trades
22 industries by nonprofit groups;~~and~~

23 (15) Weatherization and solar or other energy improvements to make
24 utilities for housing more affordable; and -

25 (16) Providing grants to community development financial
26 institutions.

27 Sec. 4. Section 81-1210.04, Revised Statutes Cumulative Supplement,
28 2022, is amended to read:

29 81-1210.04 (1) The Intern Nebraska Cash Fund is created. The fund
30 shall be used to carry out sections 81-1210.01 to 81-1210.03. The fund
31 shall consist of money transferred to the fund by the Legislature and

1 money donated as gifts, bequests, or other contributions from public or
2 private entities. Any money in the fund available for investment shall be
3 invested by the state investment officer pursuant to the Nebraska Capital
4 Expansion Act and the Nebraska State Funds Investment Act.

5 (2) Transfers may be made from the Intern Nebraska Cash Fund to the
6 Affordable Housing Trust Fund.

7 (3) {2} The Department of Economic Development, or any entity with
8 which the department contracts for such purpose, may use up to five
9 percent of any appropriation to carry out sections 81-1210.01 to
10 81-1210.03 for administrative services.

11 (4) The State Treasurer shall transfer ten million dollars from the
12 Intern Nebraska Cash Fund to the Affordable Housing Trust Fund as soon as
13 administratively possible, on such dates and in such amounts as directed
14 by the budget administrator of the budget division of the Department of
15 Administrative Services.

16 Sec. 5. Original sections 58-703 and 58-706, Reissue Revised
17 Statutes of Nebraska, and section 81-1210.04, Revised Statutes Cumulative
18 Supplement, 2022, are repealed.

19 Sec. 6. Since an emergency exists, this act takes effect when
20 passed and approved according to law.