

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 213

Introduced by Slama, 1.

Read first time January 10, 2023

Committee: Revenue

1 A BILL FOR AN ACT relating to economic development; to amend sections
2 77-2902 and 77-2912, Reissue Revised Statutes of Nebraska, and
3 section 81-1229, Revised Statutes Cumulative Supplement, 2022; to
4 redefine a term and extend certain deadlines under the Nebraska Job
5 Creation and Mainstreet Revitalization Act; to change a matching
6 fund requirement under the Rural Workforce Housing Investment Act;
7 to repeal the original sections; and to declare an emergency.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-2902, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 77-2902 For purposes of the Nebraska Job Creation and Mainstreet
4 Revitalization Act:

5 (1) Department means the Department of Revenue;

6 (2) Eligible expenditure means:

7 (a) For tax credit applications submitted prior to the effective
8 date of this act, any cost incurred for the improvement of historically
9 significant real property located in the State of Nebraska, including,
10 but not limited to, qualified rehabilitation expenditures as defined in
11 section 47(c)(2) of the Internal Revenue Code of 1986, as amended, and
12 the related regulations thereunder, if such improvement is in conformance
13 with the standards; or

14 (b) For tax credit applications submitted on or after the effective
15 date of this act, any cost incurred for the improvement of historically
16 significant real property located in a city of the second class or
17 village in this state, including, but not limited to, qualified
18 rehabilitation expenditures as defined in section 47(c)(2) of the
19 Internal Revenue Code of 1986, as amended, and the related regulations
20 thereunder, if such improvement is in conformance with the standards;

21 (3) Historically significant real property means a building or
22 structure used for any purpose, except for a single-family detached
23 residence, which, at the time of final approval of the work by the
24 officer pursuant to section 77-2906, is:

25 (a) Individually listed in the National Register of Historic Places;

26 (b)(i) Located within a district listed in the National Register of
27 Historic Places; and

28 (ii) Determined by the officer as being historically significant to
29 such district;

30 (c)(i) Individually designated pursuant to a landmark ordinance or
31 resolution enacted by a political subdivision of the state, which

1 ordinance or resolution has been approved by the officer; and

2 (ii) Determined by the officer as being historically significant; or

3 (d)(i) Located within a district designated pursuant to a
4 preservation ordinance or resolution enacted by a county, city, or
5 village of the state or political body comprised thereof providing for
6 the rehabilitation, preservation, or restoration of historically
7 significant real property, which ordinance or resolution has been
8 approved by the officer; and

9 (ii) Determined by the officer as contributing to the historical
10 significance of such district or to its economic viability;

11 (4) Improvement means a rehabilitation, preservation, or restoration
12 project that contributes to the basis, functionality, or value of the
13 historically significant real property and has a total cost which equals
14 or exceeds the following:

15 (a) For historically significant real property that is not located
16 in a city of the metropolitan or primary class, twenty-five thousand
17 dollars; or

18 (b) For historically significant real property that is located in a
19 city of the metropolitan or primary class, the greater of (i) twenty-five
20 thousand dollars or (ii) twenty-five percent of the historically
21 significant real property's assessed value;

22 (5) Officer means the State Historic Preservation Officer;

23 (6) Person means any natural person, political subdivision, limited
24 liability company, partnership, private domestic or private foreign
25 corporation, or domestic or foreign nonprofit corporation certified
26 pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as
27 amended;

28 (7) Placed in service means that either (a) a temporary or final
29 certificate of occupancy has been issued for the improvement or (b) the
30 improvement is sufficiently complete to allow for the intended use of the
31 improvement; and

1 (8) Standards means (a) the Secretary of the Interior's Standards
2 for the Treatment of Historic Properties as promulgated by the United
3 States Department of the Interior or (b) specific standards for the
4 rehabilitation, preservation, and restoration of historically significant
5 real property contained in a duly adopted local preservation ordinance or
6 resolution that has been approved by the officer pursuant to section
7 77-2903.

8 Sec. 2. Section 77-2912, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 77-2912 There shall be no new applications filed under the Nebraska
11 Job Creation and Mainstreet Revitalization Act after December 31, 2026
12 ~~2022~~. All applications and all credits pending or approved before such
13 date shall continue in full force and effect, except that no credits
14 shall be allocated under section 77-2905, issued under section 77-2906,
15 or used on any tax return or similar filing after December 31, 2031 ~~2027~~.

16 Sec. 3. Section 81-1229, Revised Statutes Cumulative Supplement,
17 2022, is amended to read:

18 81-1229 (1) The director shall establish a workforce housing grant
19 program to foster and support the development of workforce housing in
20 rural communities.

21 (2) A nonprofit development organization may apply to the director
22 for approval of a workforce housing grant for a workforce housing
23 investment fund. The application shall be in a form and manner prescribed
24 by the director. Through fiscal year 2026-27, grants shall be awarded by
25 the director on a competitive basis until grant funds are no longer
26 available. Grant maximums shall not exceed one million dollars to any one
27 nonprofit development organization over a two-year period, with the
28 cumulative amount for any single grantee to be determined by the
29 department at the discretion of the director. Applicants who will use the
30 workforce housing grant funds to address workforce housing needs in a
31 city of the second class or village shall provide matching funds of at

1 least one-quarter of the amount of workforce housing grant funds awarded.
2 All other applicants ~~An applicant~~ shall provide matching funds of at
3 least one-half of the amount of workforce housing grant funds awarded.
4 Unallocated workforce housing grant funds held by the department shall be
5 rolled to the next program year.

6 (3) Grants shall be awarded based upon:

7 (a) A demonstrated and ongoing housing need as identified by a
8 recent housing study;

9 (b) A community or region that has a low unemployment rate and is
10 having difficulty attracting workers and filling employment positions;

11 (c) A community or region that exhibits a demonstrated commitment to
12 growing its housing stock;

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

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

17 (4) A nonprofit development organization shall:

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

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

23 (c) 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 have an annual review of all financial records conducted by an
29 independent certified public accountant.

30 Sec. 4. Original sections 77-2902 and 77-2912, Reissue Revised
31 Statutes of Nebraska, and section 81-1229, Revised Statutes Cumulative

1 Supplement, 2022, are repealed.

2 Sec. 5. Since an emergency exists, this act takes effect when
3 passed and approved according to law.