

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.