

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 883

FINAL READING

Introduced by Andersen, 49.

Read first time January 08, 2026

Committee: Revenue

- 1 A BILL FOR AN ACT relating to grants for political subdivisions; to amend
- 2 sections 13-2703, 13-2704.01, and 13-2705, Reissue Revised Statutes
- 3 of Nebraska, and sections 19-1201, 19-1202, and 19-1204, Revised
- 4 Statutes Supplement, 2025; to change provisions relating to the
- 5 Civic and Community Center Financing Act and the Revitalize Rural
- 6 Nebraska Grant Program; and to repeal the original sections.
- 7 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 13-2703, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 13-2703 For purposes of the Civic and Community Center Financing
4 Act:

5 (1) Applicant means and includes (a) any city or village in this
6 state that is eligible for a grant of assistance pursuant to section
7 13-2706 and (b) any tribal government;

8 (2) Civic center means a facility that is used to host conventions,
9 meetings, and cultural events or a library;

10 (3) Department means the Department of Economic Development;

11 (4) Eligible facility means any civic center, historic building or
12 district, public space, or recreation center;

13 (5) Fund means the Civic and Community Center Financing Fund;

14 (6) Historic building or district means a property building or
15 district that is determined by the State Historic Preservation Officer or
16 his or her designee to be eligible for listing on or currently listed on
17 the National Register of Historic Places or a property building that is
18 certified as an individual property or district designated pursuant to a
19 landmark ordinance or resolution enacted by a city, village, or county,
20 which ordinance or resolution has been approved by the State Historic
21 Preservation Officer contributing to the significance of a registered
22 state or national historic district;

23 (7) Political subdivision means a county, school district, community
24 college area, or natural resources district;

25 (8) Public space means property located within the traditional
26 center of a community, typically comprised of a cohesive core of
27 residential, civic, religious, and commercial buildings, arranged around
28 a main street and intersecting streets;

29 (9) Recreation center means a facility or park used for athletics,
30 fitness, sport activities, or recreation that is owned by an applicant
31 and is available for use by the general public with or without charge.

1 Recreation center does not include any facility that requires a person to
2 purchase a membership to utilize such facility; and

3 (10) Tribal government means the officially recognized government of
4 any Indian tribe, nation, or other organized group or community located
5 in the state exercising self-government powers and recognized as eligible
6 for services provided by the United States to Indians because of their
7 status as Indians or any Indian tribe located in the state and recognized
8 as an Indian tribe by the state.

9 **Sec. 2.** Section 13-2704.01, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 13-2704.01 (1) The department shall use the fund to provide grants
12 of assistance for the following purposes:

13 (a) To assist in the construction of new civic centers and
14 recreation centers or the renovation or expansion of existing civic
15 centers and recreation centers;

16 (b) To assist in the preservation, restoration, conversion,
17 rehabilitation, demolition, or reuse of historic buildings or districts;
18 or

19 (c) To assist in the construction or upgrade of public spaces,
20 including the demolition of property substandard and abandoned buildings.

21 (2) Applications for grants of assistance pursuant to this section
22 shall be evaluated by the department pursuant to section 13-2707.

23 **Sec. 3.** Section 13-2705, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 13-2705 The department may conditionally approve grants of
26 assistance from the fund to eligible and competitive applicants subject
27 to the following limits and requirements:

28 (1) Except as provided in subdivision (2) of this section and
29 subsection (4) of section 13-2706, a grant request shall be in an amount
30 meeting the following requirements:

31 (a) For a grant of assistance under section 13-2704.01, at least

1 fifteen thousand dollars but no more than:

2 (i) For a city of the primary class or a tribal government, two
3 million two hundred fifty thousand dollars;

4 (ii) For a city with a population of at least forty thousand
5 inhabitants but fewer than one hundred thousand inhabitants as determined
6 by the most recent federal decennial census or the most recent revised
7 certified count by the United States Bureau of the Census, one million
8 one hundred twenty-five thousand dollars;

9 (iii) For a city with a population of at least twenty thousand
10 inhabitants but fewer than forty thousand inhabitants as determined by
11 the most recent federal decennial census or the most recent revised
12 certified count by the United States Bureau of the Census, seven hundred
13 fifty thousand dollars;

14 (iv) For a city with a population of at least ten thousand
15 inhabitants but fewer than twenty thousand inhabitants as determined by
16 the most recent federal decennial census or the most recent revised
17 certified count by the United States Bureau of the Census, six hundred
18 thousand dollars; and

19 (v) For a municipality with a population of fewer than ten thousand
20 inhabitants as determined by the most recent federal decennial census or
21 the most recent revised certified count by the United States Bureau of
22 the Census, three hundred seventy-five thousand dollars; and

23 (b) For a grant of assistance under section 13-2704.02, at least
24 three thousand dollars but no more than fifteen thousand dollars;

25 (2) Except as provided in subsection (4) of section 13-2706, upon
26 the balance of the fund reaching three million seven hundred fifty
27 thousand dollars, and until the balance of the fund falls below one
28 million five hundred thousand dollars, a grant request shall be in an
29 amount meeting the following requirements:

30 (a) For a grant of assistance under section 13-2704.01, at least
31 fifteen thousand dollars but no more than:

1 (i) For a city of the primary class or a tribal government, three
2 million three hundred seventy-five thousand dollars;

3 (ii) For a city with a population of at least forty thousand
4 inhabitants but fewer than one hundred thousand inhabitants as determined
5 by the most recent federal decennial census or the most recent revised
6 certified count by the United States Bureau of the Census, one million
7 six hundred eighty-seven thousand dollars;

8 (iii) For a city with a population of at least twenty thousand
9 inhabitants but fewer than forty thousand inhabitants as determined by
10 the most recent federal decennial census or the most recent revised
11 certified count by the United States Bureau of the Census, one million
12 one hundred twenty-five thousand dollars;

13 (iv) For a city with a population of at least ten thousand
14 inhabitants but fewer than twenty thousand inhabitants as determined by
15 the most recent federal decennial census or the most recent revised
16 certified count by the United States Bureau of the Census, nine hundred
17 thousand dollars; and

18 (v) For a municipality with a population of fewer than ten thousand
19 inhabitants as determined by the most recent federal decennial census or
20 the most recent revised certified count by the United States Bureau of
21 the Census, five hundred sixty-two thousand dollars; and

22 (b) For a grant of assistance under section 13-2704.02, at least
23 three thousand dollars but no more than fifteen thousand dollars;

24 (3) Assistance from the fund shall not amount to more than fifty
25 percent of the cost of the project for which a grant is requested;

26 (4) An applicant shall not be awarded more than one grant of
27 assistance under section 13-2704.01 and one grant of assistance under
28 section 13-2704.02 in any two-year period;

29 (5) Any eligible facility for which a grant of assistance under
30 section 13-2704.01 is made shall not be sold for at least five years
31 following the award of such grant of assistance;

1 (6) An application for a grant of assistance to assist in the
2 preservation, restoration, conversion, rehabilitation, demolition, or
3 reuse of a historic building or district shall include:

4 (a) ~~A a notification of approval from the State Historic~~
5 ~~Preservation Officer that the work proposed in the application conforms~~
6 ~~to the United States Secretary of the Interior's Standards for the~~
7 ~~Treatment of Historic Properties; or . If the application does not~~
8 ~~include such notification of approval from the State Historic~~
9 ~~Preservation Officer, the department shall not award a grant of~~
10 ~~assistance for such application; and~~

11 (b) Documentation showing that preservation-based mitigation
12 strategies have been agreed to by the applicant and the State Historic
13 Preservation Officer; and

14 (7) An application for a grant of assistance to a municipality
15 partnering with a certified creative district as provided in subsection
16 (4) of section 13-2706 shall include a notification of approval from the
17 Nebraska Arts Council that the work proposed in the application conforms
18 to the council's standards. If the application does not include such
19 notification of approval from the Nebraska Arts Council, the department
20 shall not award a grant of assistance for such application.

21 **Sec. 4.** Section 19-1201, Revised Statutes Supplement, 2025, is
22 amended to read:

23 19-1201 (1) There is hereby established the Revitalize Rural
24 Nebraska Grant Program. The governing body of a city of the first class,
25 a city of the second class, or a village may apply, on behalf of the city
26 or village, to the Department of Water, Energy, and Environment for
27 approval of a ~~dilapidated commercial property~~ demolition grant for
28 substandard and abandoned commercial property. The Director of Water,
29 Energy, and Environment shall prescribe the form and manner of
30 application.

31 (2) The department shall award the grants annually on a competitive

1 basis beginning in fiscal year 2023-24 subject to available funds. The
2 department shall give priority to applications from cities of the second
3 class and villages. If there are funds remaining at the end of each grant
4 period, the department shall consider applications from cities of the
5 first class. A city or village may apply for more than one grant. The
6 department shall give preference to new applicants.

7 (3) There shall be no limit on the amount that can be awarded to
8 each applicant within the available funding. It is the intent of the
9 Legislature that if the department does not award all of the available
10 appropriation for grants under the program, the unobligated amount of the
11 appropriation shall be reappropriated for the next fiscal year to be
12 awarded during the next grant period.

13 **Sec. 5.** Section 19-1202, Revised Statutes Supplement, 2025, is
14 amended to read:

15 19-1202 (1) The Department of Water, Energy, and Environment shall
16 award a grant to a city or village under the Revitalize Rural Nebraska
17 Grant Program based on a completed application that demonstrates:

18 (a) (1) A substandard and abandoned dilapidated commercial property
19 within the corporate limits of the city or village is in need of
20 demolition;

21 (b) (2) The city or village owns the property or is completing the
22 process prescribed in section 18-1722;

23 (c) (3) The property has been abandoned or vacant for at least six
24 months prior to application;

25 (d) (4) The requirements of subsection (2) of this section have been
26 met if the property is not listed, or eligible to be listed, on the
27 National Register of Historic Places; and

28 (e) (5) The city or village is able to contribute matching funds,
29 whether in cash or in-kind donations, in the amount of ten percent for a
30 village, fifteen percent for a city of the second class, and twenty
31 percent for a city of the first class.

1 (2) If the State Historic Preservation Officer or his or her
2 designee has determined that the property is listed, or eligible to be
3 listed, on the National Register of Historic Places, the application
4 shall also demonstrate that:

5 (a) The property has been deemed a substandard and abandoned
6 commercial property by a certified building professional with the
7 concurrence and approval of the State Historic Preservation Officer or
8 his or her designee; or

9 (b) Preservation-based mitigation strategies have been agreed to by
10 the city or village and the State Historic Preservation Officer.

11 (3) For purposes of this section:

12 (a) Certified building professional means a person licensed as a
13 professional engineer or architect under the Engineers and Architects
14 Regulation Act or a head official or inspector charged with the
15 enforcement of fire, health, safety, and building or construction codes
16 of a city or village; and

17 (b) Substandard and abandoned commercial property means commercial
18 property that endangers the public and violates a fire, health, safety,
19 or building or construction code and that is unoccupiable with no viable
20 plans for its maintenance or rehabilitation.

21 **Sec. 6.** Section 19-1204, Revised Statutes Supplement, 2025, is
22 amended to read:

23 19-1204 The Revitalize Rural Nebraska Fund is created. The
24 Department of Water, Energy, and Environment shall use the fund for the
25 Revitalize Rural Nebraska Grant Program. The fund shall also be used to
26 pay the reasonable and necessary costs incurred by the State Historic
27 Preservation Officer in carrying out his or her duties under section
28 19-1202. The fund shall include transfers as directed by the Legislature,
29 money from grants returned under section 19-1203, and money from private
30 contributions and other sources provided for purposes of the program. Any
31 money in the Revitalize Rural Nebraska Fund available for investment

1 shall be invested by the state investment officer pursuant to the
2 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
3 Act. Any interest earned on the fund shall be used for the program.

4 **Sec. 7.** Original sections 13-2703, 13-2704.01, and 13-2705, Reissue
5 Revised Statutes of Nebraska, and sections 19-1201, 19-1202, and 19-1204,
6 Revised Statutes Supplement, 2025, are repealed.