

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 811

Introduced by Dover, 19.

Read first time January 07, 2026

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to the Nebraska Municipal Land Bank Act; to
2 amend sections 18-3404 and 18-3405, Reissue Revised Statutes of
3 Nebraska; to change provisions relating to the municipalities
4 authorized to form their own land banks; to harmonize provisions;
5 and to repeal the original sections.
6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 18-3404, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 18-3404 (1) A single municipality may create a land bank ~~if the~~
4 municipality is a city of the metropolitan class or city of the primary
5 class. Such municipality shall create the land bank by the adoption of an
6 ordinance which specifies the following:

7 (a) The name of the land bank;

8 (b) The initial individuals to serve as members of the board and the
9 length of terms for which they are to serve; and

10 (c) The qualifications and terms of office of members of the board.

11 (2) Two or more municipalities may elect to enter into an agreement
12 pursuant to the Interlocal Cooperation Act to create a single land bank
13 to act on behalf of such municipalities, which agreement shall contain
14 the information required by subsection (1) of this section.

15 (3) A municipality may elect to join an existing land bank by
16 entering into an agreement pursuant to the Interlocal Cooperation Act
17 with a ~~municipality city of the metropolitan class or city of the primary~~
18 class that has created a land bank pursuant to subsection (1) of this
19 section or by joining an existing agreement pursuant to the Interlocal
20 Cooperation Act with the municipalities that formed a land bank pursuant
21 to subsection (2) of this section. Agreements entered into or joined
22 under this subsection shall contain the information required by
23 subsection (1) of this section.

24 (4) Each land bank created pursuant to the Nebraska Municipal Land
25 Bank Act shall be deemed to be a public corporation acting in a
26 governmental capacity and a political subdivision of the state and shall
27 have permanent and perpetual duration until terminated and dissolved in
28 accordance with section 18-3414.

29 (5) The primary goal of any land bank shall be to facilitate the
30 return of vacant, abandoned, and tax-delinquent properties to productive
31 use.

1 **Sec. 2.** Section 18-3405, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 18-3405 (1) If a land bank is created by a single municipality
4 pursuant to subsection (1) of section 18-3404, the board of such land
5 bank shall meet the following requirements:

6 (a) The board shall consist of:

7 (i) Seven voting members appointed by the chief executive officer of
8 the municipality that created the land bank and confirmed by a two-thirds
9 vote of the governing body of such municipality; and

10 (ii) The following nonvoting members:

11 (A) The planning director of the municipality that created the land
12 bank or his or her designee or, if there is no planning director, a
13 person designated by the governing body of the municipality that created
14 the land bank;

15 (B) One member of the governing body of the municipality that
16 created the land bank, appointed by such governing body; and

17 (C) Such other nonvoting members as are appointed by the chief
18 executive officer of the municipality that created the land bank and
19 confirmed by a two-thirds vote of the governing body of such
20 municipality;

21 (b) The seven voting members of the board shall be residents of the
22 municipality that created the land bank;

23 (c) If the governing body of the municipality creating the land bank
24 has any of its members elected by district or ward, then at least one
25 voting member of the board shall be appointed from each such district or
26 ward. Such voting members shall represent, to the greatest extent
27 possible, the racial and ethnic diversity of the municipality creating
28 the land bank;

29 (d) The seven voting members of the board shall have, collectively,
30 verifiable skills, expertise, and knowledge in market-rate and affordable
31 residential, commercial, industrial, and mixed-use real estate

1 development, financing, law, purchasing and sales, asset management,
2 economic and community development, and the acquisition of tax sale
3 certificates;

4 (e) The seven voting members of the board shall include:

5 (i) At least one member representing a chamber of commerce;

6 (ii) At least one member with experience in banking;

7 (iii) At least one member with experience in real estate
8 development;

9 (iv) At least one member with experience as a realtor;

10 (v) At least one member with experience in nonprofit or affordable
11 housing; and

12 (vi) At least one member with experience in large-scale residential
13 or commercial property rental; and

14 (f) A single voting member may satisfy more than one of the
15 requirements provided in subdivision (1)(e) of this section if he or she
16 has the required qualifications. It is not necessary that there be a
17 different member to fulfill each such requirement.

18 (2) If a land bank is created by more than one municipality pursuant
19 to an agreement under the Interlocal Cooperation Act as described in
20 subsection (2) or (3) of section 18-3404, the board of such land bank
21 shall meet the following requirements:

22 (a) The board shall consist of:

23 (i) An odd number of voting members, totaling at least seven,
24 appointed by the chief executive officers of the municipalities that
25 created the land bank, as mutually agreed to by such chief executive
26 officers, and confirmed by a two-thirds vote of the governing body of
27 each municipality that created the land bank; and

28 (ii) The following nonvoting members:

29 (A) The planning director of each municipality that created the land
30 bank or his or her designee or, if there is no planning director for any
31 municipality that created the land bank, a person designated by the

1 governing body of such municipality;

2 (B) One member of the governing body of each municipality that
3 created the land bank, appointed by the governing body on which such
4 member serves; and

5 (C) Such other nonvoting members as are appointed by the chief
6 executive officers of the municipalities that created the land bank, as
7 mutually agreed to by such chief executive officers, and confirmed by a
8 two-thirds vote of the governing body of each municipality that created
9 the land bank;

10 (b) Each voting member of the board shall be a resident of one of
11 the municipalities that created the land bank. If a land bank is created
12 by a city of the metropolitan class or a city of the primary class, at
13 least one voting member of the board shall be appointed from each of the
14 municipalities that created the land bank;

15 (c) The voting members of the board shall have, collectively,
16 verifiable skills, expertise, and knowledge in market-rate and affordable
17 residential, commercial, industrial, and mixed-use real estate
18 development, financing, law, purchasing and sales, asset management,
19 economic and community development, and the acquisition of tax sale
20 certificates;

21 (d) The voting members of the board shall include:

22 (i) At least one member representing a chamber of commerce;

23 (ii) At least one member with experience in banking;

24 (iii) At least one member with experience in real estate
25 development;

26 (iv) At least one member with experience as a realtor;

27 (v) At least one member with experience in nonprofit or affordable
28 housing; and

29 (vi) At least one member with experience in large-scale residential
30 or commercial property rental; and

31 (e) A single voting member may satisfy more than one of the

1 requirements provided in subdivision (2)(d) of this section if he or she
2 has the required qualifications. It is not necessary that there be a
3 different member to fulfill each such requirement.

4 (3) The members of the board shall select annually from among
5 themselves a chairperson, a vice-chairperson, a treasurer, and such other
6 officers as the board may determine.

7 (4) A public official or public employee shall be eligible to be a
8 member of the board.

9 (5) A vacancy on the board among the appointed board members shall
10 be filled not later than six months after the date of such vacancy in the
11 same manner as the original appointment.

12 (6) Board members shall serve without compensation.

13 (7) The board shall meet in regular session according to a schedule
14 adopted by the board and shall also meet in special session as convened
15 by the chairperson or upon written notice signed by a majority of the
16 voting members. The presence of a majority of the voting members of the
17 board shall constitute a quorum.

18 (8) Except as otherwise provided in this section and in sections
19 18-3410, 18-3417, and 18-3418, all actions of the board shall be approved
20 by the affirmative vote of a majority of the voting members present and
21 voting.

22 (9) Any action of the board on the following matters shall be
23 approved by a majority of the voting members:

24 (a) Adoption of bylaws and other rules and regulations for conduct
25 of the land bank's business;

26 (b) Hiring or firing of any employee or contractor of the land bank.
27 This function may, by majority vote of the voting members, be delegated
28 by the board to a specified officer or committee of the land bank, under
29 such terms and conditions, and to the extent, that the board may specify;

30 (c) The incurring of debt;

31 (d) Adoption or amendment of the annual budget; and

4 (10) Members of a board shall not be liable personally on the bonds
5 or other obligations of the land bank, and the rights of creditors shall
6 be solely against such land bank.

7 (11) The board of a land bank created by a city of the metropolitan
8 class that borders a county in which at least three cities of the first
9 class are located shall adopt policies and procedures to specify the
10 conditions that must be met in order for such land bank to give an
11 automatically accepted bid as authorized in sections 18-3417 and 18-3418.
12 The adoption of such policies and procedures shall require the approval
13 of two-thirds of the voting members of the board. At a minimum, such
14 policies and procedures shall ensure that the automatically accepted bid
15 shall only be given for one of the following reasons:

16 (a) The real property substantially meets more than one of the
17 following criteria as determined by two-thirds of the voting members of
18 the board:

19 (i) The property is not occupied by the owner or any lessee or
20 licensee of the owner;

21 (ii) There are no utilities currently being provided to the
22 property:

23 (iii) Any buildings on the property have been deemed unfit for human
24 habitation, occupancy, or use by local housing officials;

25 (iv) Any buildings on the property are exposed to the elements such
26 that deterioration of the building is occurring:

27 (y) Any buildings on the property are boarded up;

28 (vi) There have been previous efforts to rehabilitate any buildings
29 on the property:

30 (vii) There is a presence of vermin, uncut vegetation, or debris
31 accumulation on the property;

(viii) There have been past actions by the municipality to maintain the grounds or any building on the property; or

3 (ix) The property has been out of compliance with orders of local
4 housing officials;

5 (b) The real property is contiguous to a parcel that meets more than
6 one of the criteria in subdivision (11)(a) of this section or that is
7 already owned by the land bank; or

8 (c) Acquisition of the real property by the land bank would serve
9 the best interests of the community as determined by two-thirds of the
10 voting members of the board. In determining whether the acquisition would
11 serve the best interests of the community, the board shall take into
12 consideration the hierarchical ranking of priorities for the use of real
13 property conveyed by a land bank established pursuant to subsection (5)
14 of section 18-3410, if any such hierarchical ranking is established.

15 (12)(a) A member of the board may be removed for neglect of duty,
16 misconduct in office, conviction of any felony, or other good cause as
17 follows:

18 (i) In the case of a land bank created pursuant to subsection (1) of
19 section 18-3404, a board member may be removed by the chief executive
20 officer of the municipality that created the land bank after such removal
21 has been approved by a two-thirds vote of the governing body of such
22 municipality; or

(ii) In the case of a land bank created pursuant to subsection (2) or (3) of section 18-3404, a board member may be removed by the chief executive officer of the municipality where the member resides after such removal has been approved by a two-thirds vote of the governing body of such municipality.

28 (b) Such chief executive officer shall send a notice of removal to
29 such board member, which notice shall set forth the charges against him
30 or her. The member shall be deemed removed from office unless within ten
31 days from the receipt of such notice he or she files a request for a

1 hearing. Such request shall be filed with:

2 (i) In the case of a land bank created pursuant to subsection (1) of
3 section 18-3404, the city clerk or village clerk of the municipality city
4 that created the land bank; or

5 (ii) In the case of a land bank created pursuant to subsection (2)
6 or (3) of section 18-3404, the city clerk or village clerk of the
7 municipality where the member resides.

8 (c) If a request for hearing is so filed, the governing body of the
9 municipality receiving the request shall hold a hearing not sooner than
10 ten days after the date a hearing is requested, at which hearing the
11 board member shall have the right to appear in person or by counsel and
12 the governing body shall determine whether the removal shall be upheld.
13 If the removal is not upheld by the governing body, the board member
14 shall continue to hold his or her office.

15 **Sec. 3.** Original sections 18-3404 and 18-3405, Reissue Revised
16 Statutes of Nebraska, are repealed.