

AMENDMENTS TO LB164

Introduced by McKinney, 11.

1 1. Strike the original sections and all amendments thereto and
2 insert the following new sections:

3 Section 1. Section 13-3301, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 13-3301 Sections 13-3301 to 13-3313 and sections 7, 10, 11, and 12
6 of this act shall be known and may be cited as the Municipal Inland Port
7 Authority Act.

8 Sec. 2. Section 13-3302, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-3302 The Legislature finds and declares as follows:

11 (1) Nebraska is ideally situated as a potential industrial,
12 innovation, and logistical hub for multiple industries across the rest of
13 the country. The state is home to major railroads and trucking firms, and
14 is within a two-day drive to major cities on the east coast, west coast,
15 Mexico, and Canada;

16 (2) Increasingly, major companies looking to locate their
17 headquarters or expand operations seek large shovel-ready commercial and
18 industrial sites, commonly referred to as mega sites;

19 (3) Nebraska ~~currently~~ lacks sufficient ~~the~~ economic development
20 tools necessary to acquire and develop large shovel-ready commercial and
21 industrial sites and innovation districts, and the creation of one or
22 more inland port authorities in Nebraska will ~~could~~ serve as a mechanism
23 to develop such sites;~~and~~

24 (4) In addition to the development of large shovel-ready commercial
25 and industrial sites and innovation districts, the creation of ~~one or~~
26 ~~more~~ inland port authorities will ~~could~~ serve as a regional merging point
27 for multi-modal transportation and distribution of goods to and from

1 ports and other locations in other regions; and -

2 (5) Inland port authorities will serve as a vital resource for
3 stimulating and supporting tourism, entrepreneurship, and technology-
4 based small businesses in this state.

5 Sec. 3. Section 13-3303, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 13-3303 For purposes of the Municipal Inland Port Authority Act:

8 (1) Board means the board of commissioners of an inland port
9 authority;

10 (2) City means any city of the metropolitan class, city of the
11 primary class, or city of the first class which contains an area eligible
12 to be designated as an inland port district;

13 (3) Direct financial benefit means any form of financial benefit
14 that accrues to an individual directly, including compensation,
15 commission, or any other form of a payment or increase of money, or an
16 increase in the value of a business or property. Direct financial benefit
17 does not include a financial benefit that accrues to the public
18 generally;

19 (4) Family member means a spouse, parent, sibling, child, or
20 grandchild;

21 (5) Inland port authority means an authority created by a city, a
22 county, or a city and one or more counties under the Municipal Inland
23 Port Authority Act to manage an inland port district;

24 (6) Inland port district means an area within the corporate
25 boundaries or extraterritorial zoning jurisdiction or both of a city,
26 within the boundaries of one or more counties, or within both the
27 corporate boundaries or extraterritorial zoning jurisdiction or both of a
28 city and the boundaries of one or more counties, and which meets at least
29 two of the following criteria:

30 (a) Is located within one mile of a navigable river or other
31 navigable waterway;

1 (b) Is located within one mile of a major rail line;

2 (c) Is located within two miles of any portion of the federally
3 designated National System of Interstate and Defense Highways or any
4 other four-lane divided highway; or

5 (d) Is located within two miles of a major airport;

6 (7)(a) Innovation district means a geographic area where leading-
7 edge institutions, companies, and industry clusters connect with startup
8 businesses, business incubators, research institutions, and accelerators,
9 and that is physically compact, transit-accessible, and technically wired
10 with mixed-use housing, office, retail, and light industrial space.

11 (b) Innovation districts include, but are not limited to, the
12 following:

13 (i) The anchor-plus model, primarily found in the downtowns and
14 midtowns of central cities, where large-scale mixed-use development is
15 centered around major anchor institutions and a rich base of related
16 firms, entrepreneurs, and spin-off companies involved in the
17 commercialization of innovation;

18 (ii) The re-imagined urban areas model, often found near or along
19 historic waterfronts, where industrial or warehouse districts are
20 undergoing a physical and economic transformation. Such change is powered
21 in part by transit access, a historic building stock, and proximity to
22 downtowns in high-rent cities which is supplemented with advanced
23 research institutions and anchor companies; and

24 (iii) The urbanized science park model, commonly found in suburban
25 and exurban areas, where traditionally isolated, sprawling areas of
26 innovation are urbanizing through increased density and an infusion of
27 new activities, including retail and restaurants, that are mixed as
28 opposed to separated;

29 (8) Innovation hub has the same meaning as in section 81-12,108;

30 (9) ~~(7)~~ Intermodal facility means a hub or other facility for trade
31 combining any combination of rail, barge, trucking, air cargo, or other

1 transportation services;

2 ~~(10)~~ ~~(8)~~ Major airport means an airport with commercial service as
3 defined by the Federal Aviation Administration;

4 ~~(11)~~ ~~(9)~~ Major rail line means a rail line that is accessible to a
5 Class I railroad as defined by the federal Surface Transportation Board;
6 and

7 ~~(12)~~ ~~(10)~~ Nonprofit economic development corporation means a chamber
8 of commerce or other mutual benefit or public benefit corporation
9 organized under the Nebraska Nonprofit Corporation Act to assist economic
10 development.

11 Sec. 4. Section 13-3304, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 13-3304 (1) Any city which encompasses an area greater than three
14 hundred acres eligible to be designated as an inland port district may
15 propose to create an inland port authority by ordinance, subject to the
16 cap on the total number of inland port districts provided in subsection
17 (4) of this section. In determining whether to propose the creation of an
18 inland port authority, the city shall consider the following criteria:

19 (a) The desirability and economic feasibility of locating an inland
20 port district within the corporate boundaries, extraterritorial zoning
21 jurisdiction, or both of the city;

22 (b) The technical and economic capability of the city and any other
23 public and private entities to plan and carry out development within the
24 proposed inland port district;

25 (c) The strategic location of the proposed inland port district in
26 proximity to existing and potential transportation infrastructure that is
27 conducive to facilitating regional, national, and international trade and
28 the businesses and facilities that promote and complement such trade;

29 (d) The potential impact that development of the proposed inland
30 port district will have on the immediate area; and

31 (e) The regional and statewide economic impact of development of the

1 proposed inland port district.

2 (2) Any city and one or more counties in which a city of the
3 metropolitan class, city of the primary class, or city of the first class
4 is located, or in which the extraterritorial zoning jurisdiction of such
5 city is located, which encompass an area greater than three hundred acres
6 eligible to be designated as an inland port district may enter into an
7 agreement pursuant to the Interlocal Cooperation Act to propose joint
8 creation of an inland port authority, subject to the cap on the total
9 number of inland port districts provided in subsection (4) of this
10 section. In determining whether to propose the creation of an inland port
11 authority, the city and counties shall consider the following criteria:

12 (a) The desirability and economic feasibility of locating an inland
13 port district within the corporate boundaries or extraterritorial zoning
14 jurisdiction or both of the city, or within both the corporate boundaries
15 or extraterritorial zoning jurisdiction or both of a city and the
16 boundaries of one or more counties;

17 (b) The technical and economic capability of the city and county or
18 counties and any other public and private entities to plan and carry out
19 development within the proposed inland port district;

20 (c) The strategic location of the proposed inland port district in
21 proximity to existing and potential transportation infrastructure that is
22 conducive to facilitating regional, national, and international trade and
23 the businesses and facilities that promote and complement such trade;

24 (d) The potential impact that development of the proposed inland
25 port district will have on the immediate area; and

26 (e) The regional and statewide economic impact of development of the
27 proposed inland port district.

28 (3) Any county with a population greater than twenty thousand
29 inhabitants according to the most recent federal census or the most
30 recent revised certified count by the United States Bureau of the Census
31 which encompasses an area greater than three hundred acres eligible to be

1 designated as an inland port district may propose to create an inland
2 port authority by resolution, subject to the cap on the total number of
3 inland port districts provided in subsection (4) of this section. In
4 determining whether to propose the creation of an inland port authority,
5 the county shall consider the following criteria:

6 (a) The desirability and economic feasibility of locating an inland
7 port district within the county;

8 (b) The technical and economic capability of the county and any
9 other public or private entities to plan and carry out development within
10 the proposed inland port district;

11 (c) The strategic location of the proposed inland port district in
12 proximity to existing and potential transportation infrastructure that is
13 conducive to facilitating regional, national, and international trade and
14 the businesses and facilities that promote and complement such trade;

15 (d) The potential impact that development of the proposed inland
16 port district will have on the immediate area; and

17 (e) The regional and statewide economic impact of development of the
18 proposed inland port district.

19 (4) No more than five inland port districts may be designated
20 statewide. No more than one inland port district may be designated within
21 the boundaries of a city of the metropolitan class. No inland port
22 authority shall designate more than one inland port district, and no
23 inland port authority may be created without also designating an inland
24 port district.

25 (5) Following the adoption of an ordinance, resolution, or execution
26 of an agreement pursuant to the Interlocal Cooperation Act proposing
27 creation of an inland port authority, the city clerk or county clerk
28 shall transmit a copy of such ordinance, resolution, or agreement to the
29 Department of Economic Development along with an application for approval
30 of the proposal. Upon receipt of such ordinance, resolution, or agreement
31 and application, the department shall evaluate the proposed inland port

1 authority to determine whether the proposal meets the criteria in
2 subsection (1), (2), or (3) of this section, whichever is applicable, as
3 well as any prioritization criteria developed by the department. Upon a
4 determination that the proposed inland port authority sufficiently meets
5 such criteria, the Director of Economic Development shall certify to the
6 city clerk or county clerk whether the proposed creation of such inland
7 port authority exceeds the cap on the total number of inland port
8 districts pursuant to subsection (4) of this section. If the department
9 determines that the proposed inland port authority sufficiently meets
10 such criteria and does not exceed such cap, the inland port authority
11 shall be deemed created. If the proposed inland port authority does not
12 sufficiently meet such criteria or exceeds such cap, the city shall
13 repeal such ordinance, the county shall repeal such resolution, or the
14 city and county or counties shall rescind such agreement and the proposed
15 inland port authority shall not be created.

16 Sec. 5. Section 13-3305, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 13-3305 (1) The city council of any city which has created an inland
19 port authority pursuant to subsection (1) of section 13-3304 shall
20 designate what areas within the corporate limits, extraterritorial zoning
21 jurisdiction, or both of the city shall comprise the inland port
22 district, subject to the limitations of the Municipal Inland Port
23 Authority Act. The boundaries of any inland port district shall be filed
24 with the city clerk and shall become effective upon approval of the city
25 council. The city council may from time to time enlarge or reduce the
26 area comprising any inland port district, except that such district shall
27 not be reduced to an area less than three hundred acres. Any change of
28 boundaries shall be filed with the city clerk and become effective upon
29 such filing.

30 (2) The city council of any city and county board or boards of any
31 county or counties which have created an inland port authority pursuant

1 to subsection (2) of section 13-3304 shall designate what areas within
2 the corporate limits, extraterritorial zoning jurisdiction, or both of
3 the city or within the county or counties shall comprise the inland port
4 district, subject to the limitations of the Municipal Inland Port
5 Authority Act. The boundaries of any inland port district shall be filed
6 with the city clerk and the county clerk or clerks and shall become
7 effective upon approval of the city council and the county board or
8 boards. The city council and the county board or boards may from time to
9 time enlarge or reduce the area comprising any inland port district,
10 except that such district shall not be reduced to an area less than three
11 hundred acres. Any change of boundaries shall be filed with the city
12 clerk and the county clerk or clerks and become effective upon such
13 filing.

14 (3) The county board of any county which has created an inland port
15 authority pursuant to subsection (3) of section 13-3304 shall designate
16 what areas within the county shall comprise the inland port district,
17 subject to the limitations of the Municipal Inland Port Authority Act.
18 The boundaries of any inland port district shall be filed with the county
19 clerk and shall become effective upon approval of the county board. The
20 county board may from time to time enlarge or reduce the area comprising
21 any inland port district, except that such district shall not be reduced
22 to an area less than three hundred acres. Any change of boundaries shall
23 be filed with the county clerk and become effective upon such filing.

24 (4) Not more than twenty-five percent of the area within an inland
25 port district designated pursuant to this section may be noncontiguous
26 with the remaining portions of such inland port district. Such
27 noncontiguous area shall be no more than one-quarter mile from the
28 remaining portions of such inland port district for an inland port
29 district located within a city of the metropolitan class and no more than
30 fifteen miles from the remaining portions of such inland port district
31 for any other inland port district.

1 (5) Nothing in this section shall require that any real property
2 located within the boundaries of an inland port district be owned by an
3 inland port authority or the city or county or counties in which such
4 real property is located.

5 Sec. 6. Section 13-3306, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 13-3306 (1) An inland port authority shall have the power to:

8 (a) Plan, facilitate, and develop the inland port district in
9 conjunction with the city, the county or counties, and other public and
10 private entities, including the development of publicly owned
11 infrastructure and improvements within the inland port district;

12 (b) Engage in marketing and business recruitment activities and
13 efforts to encourage and facilitate development of the inland port
14 district;

15 (c) Apply for and take all other necessary actions for the
16 establishment of a foreign trade zone, as provided under federal law,
17 within the inland port district;

18 (d) Issue and sell revenue bonds as provided in section 13-3308;

19 (e) Acquire, own, lease, sell, or otherwise dispose of interest in
20 and to any real property and improvements located thereon, and in any
21 personal property, and construct buildings and other structures necessary
22 to fulfill the purposes of the inland port authority;

23 (f) Acquire rights-of-way and property of any kind or nature within
24 the inland port district necessary for its purposes by purchase or
25 negotiation;

26 (g) Enter into lease agreements for real or personal property,
27 either as lessee or lessor;

28 (h) Sue and be sued in its own name;

29 (i) Enter into contracts and other instruments necessary,
30 incidental, or convenient to the performance of its duties and the
31 exercise of its powers, including, but not limited to, agreements under

1 the Interlocal Cooperation Act with the city, the county or counties, or
2 any other political subdivision of this or any other state;

3 (j) Borrow money from private lenders, from the state, or from the
4 federal government as may be necessary for the operation and work of the
5 inland port authority;

6 (k) Accept appropriations, including funds transferred by the
7 Legislature pursuant to section 81-12,146, contributions, gifts, grants,
8 or loans from the United States, the State of Nebraska, political
9 subdivisions, or other public and private agencies, individuals,
10 partnerships, or corporations;

11 (l) Employ such managerial, engineering, legal, technical, clerical,
12 accounting, advertising, administrative, or other assistance as may be
13 deemed advisable, or to contract with independent contractors for any
14 such assistance;

15 (m) Adopt, alter, or repeal its own bylaws, rules, and regulations
16 governing the manner in which its business may be transacted, except that
17 such bylaws, rules, and regulations shall not exceed the powers granted
18 to the inland port authority by the Municipal Inland Port Authority Act;

19 (n) Enter into agreements with private operators or public entities
20 for the joint development, redevelopment, reclamation, and other uses of
21 property within the inland port district;

22 (o) Own and operate an intermodal facility and other publicly owned
23 infrastructure and improvements within the boundaries of the inland port
24 district;~~and~~

25 (p) Establish and charge fees to businesses and customers utilizing
26 the services offered by the inland port authority within the inland port
27 district as required for the proper maintenance, development, operation,
28 and administration of the inland port authority; and -

29 (q) Facilitate partnerships and programs between innovative startup
30 businesses, research institutions, and venture capitalists or financial
31 institutions.

1 (2) An inland port authority shall neither possess nor exercise the
2 power of eminent domain.

3 (3) Any inland port authority located within the boundaries of a
4 city of the metropolitan class shall not be eligible to receive any funds
5 transferred by the Legislature pursuant to subsection (2) of section
6 81-12,146 until July 1, 2027.

7 Sec. 7. An inland port authority located within the boundaries of a
8 city of the metropolitan class shall:

9 (1) Create and operate an innovation district;

10 (2) Organize and conduct quarterly public input meetings to receive
11 public input regarding concerns, ideas, and priorities for economic
12 development initiatives within the inland port district. The public input
13 meetings shall provide a platform for dialogue and collaboration between
14 residents, the inland port authority, local government officials, and
15 other stakeholders;

16 (3) Within ninety days after the receipt of grant funds described in
17 section 11 of this act, and annually thereafter, conduct a community
18 survey. Such surveys may be distributed online or through regular United
19 States mail or may be conducted in person to ensure inclusivity and
20 accessibility. The data collected shall help identify key areas for
21 economic development focus within the inland port district and inform
22 decisionmaking processes;

23 (4) Only use the grant funds described in section 11 of this act
24 within the inland port district;

25 (5) Provide direct oversight of the operation of any innovation hub
26 located within a city of the metropolitan class that is located within
27 two miles of a major airport;

28 (6) Create and maintain a community advisory committee consisting of
29 nine members that include (a) at least two owners of residential property
30 located within the inland port district, (b) at least two owners of
31 businesses located within the inland port district, (c) a member of the

1 city council of such city of the metropolitan class whose city council
2 district is located within the inland port district, (d) a member of the
3 Legislature whose legislative district is located within the inland port
4 district, and (e) a youth representative or someone closely involved with
5 youth in the community. A single member may satisfy more than one
6 qualification described in subdivisions (6)(a) through (e) of this
7 section;

8 (7) Within one year after the receipt of grant funds described in
9 section 11 of this act, hire a consultant to create a financial pro forma
10 and vision and provide recommendations relating to which innovation
11 district model or blended models should be used by the inland port
12 authority;

13 (8) Within three years after the receipt of grant funds described in
14 section 11 of this act, contract with or provide grants to developers or
15 landowners to construct twenty single-family homes and a minimum of one
16 hundred fifty new housing units within the inland port district; and

17 (9) On or before December 31 of each year, electronically submit a
18 report to the Urban Affairs Committee of the Legislature and the Clerk of
19 the Legislature regarding current, completed, and future projects, how
20 such projects relate to the inland port authority's vision and financial
21 pro forma, and other areas of opportunity.

22 Sec. 8. Section 13-3310, Reissue Revised Statutes of Nebraska, is
23 amended to read:

24 13-3310 (1) An inland port authority shall be administered by the
25 board which shall consist of:

26 (a) If created by a city of the metropolitan class, nine members
27 that include (i) the mayor or the mayor's designee, (ii) at least two
28 members with experience in large-scale residential, commercial,
29 industrial, or general real estate development, (iii) at least one member
30 with experience in community organizing and development, advocating for
31 inclusive economic development strategies, addressing systemic barriers,

1 and promoting equitable opportunities for all community members, and (iv)
2 at least one member with experience in financial services and budget
3 oversight, financial planning, and ensuring accountability in resource
4 allocation for economic development projects. A single member may satisfy
5 more than one qualification described in subdivisions (1)(a)(i) through
6 (iv) of this section;

7 (b) If created by a city of the primary class, seven members;

8 (c) If created by a city of the first class, five members;

9 (d) If jointly created by a city of the metropolitan class and one
10 or more counties, eleven members;

11 (e) If jointly created by a city of the primary class and one or
12 more counties, nine members;

13 (f) If jointly created by a city of the first class and one or more
14 counties, seven members; or

15 (g) If created by a county, nine members.

16 (2) Upon the creation of an inland port authority under subsection
17 (1) or (2) of section 13-3304, the mayor of the city that created the
18 authority, with the approval of the city council, and, if the authority
19 is created under subsection (2) of section 13-3304, with the approval of
20 the county board or boards, shall appoint a board to govern the
21 authority. Members of the board shall be residents of the city or of the
22 county in which such city that created the authority under subsection (1)
23 of section 13-3304 is located, or, if the authority is created under
24 subsection (2) of section 13-3304, members of the board shall be
25 residents of the county or counties jointly creating such authority or of
26 any county located adjacent to any such county.

27 (3) Upon the creation of an inland port authority under subsection
28 (3) of section 13-3304, the chairperson of the county board, with the
29 approval of the county board, shall appoint a board to govern the
30 authority. Members of the board shall be residents of the county or of
31 any county located adjacent to such county.

1 (4) The members of the board of any inland port authority created
2 under section 13-3304 shall be appointed to staggered terms of four years
3 in such a manner to ensure that the terms of no more than three members
4 expire in any one year.

5 (5) Any vacancy on the board of an inland port authority shall be
6 filled in the same manner as the vacating board member was appointed to
7 serve the unexpired portion of the board member's term.

8 Sec. 9. Section 13-3311, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 13-3311 (1) A public official may serve as a commissioner of an
11 inland port authority.

12 (2) ~~(1)~~ No individual may serve as a commissioner or an employee of
13 an inland port authority if:

14 (a) The individual or a family member of the individual owns an
15 interest in any real property located within the boundaries of the inland
16 port district;~~or~~

17 (b) The individual or a family member of the individual owns an
18 interest in, is directly affiliated with, or is an employee or officer of
19 a private firm, company, or other entity, other than a political
20 subdivision, that received any financial benefit through any funding
21 provided from a grant awarded pursuant to subdivision (4)(a) of section
22 81-12,241. For purposes of this subdivision, financial benefit includes
23 any income from a contract for goods or services; or

24 (c) ~~(b)~~ The individual or a family member of the individual owns an
25 interest in, is directly affiliated with, or is an employee or officer of
26 a private firm, company, or other entity, other than a political
27 subdivision, that the individual reasonably believes is likely to:

28 (i) Participate in or receive a direct or indirect financial benefit
29 from the development of the inland port district; or

30 (ii) Acquire an interest in any facility located within the inland
31 port district.

1 ~~(3)~~ ~~(2)~~ Before taking office as a commissioner or accepting
2 employment with an inland port authority, an individual shall submit to
3 the authority a statement verifying that the individual's service as a
4 commissioner or an employee will not violate subsection ~~(2)~~ ~~(1)~~ of this
5 section.

6 ~~(4)~~ ~~(3)~~ An individual shall not, at any time during the individual's
7 service as a commissioner or an employee of an inland port authority,
8 acquire or take any action to initiate, negotiate, or otherwise arrange
9 for the acquisition of an interest in any real property located within
10 the boundaries of the inland port district.

11 ~~(5)~~ ~~(4)~~ A commissioner or an employee of an inland port authority
12 shall not receive a direct financial benefit from the development of any
13 real property located within the boundaries of the inland port district.

14 Sec. 10. The Inland Port Authority Fund is created. The fund shall
15 be used by the State Treasurer to carry out section 11 of this act. The
16 fund shall consist of transfers by the Legislature and any federal funds
17 which may become available for the purposes of the Municipal Inland Port
18 Authority Act. Any money in the fund available for investment shall be
19 invested by the state investment officer pursuant to the Nebraska Capital
20 Expansion Act and the Nebraska State Funds Investment Act. Any investment
21 earnings from investment of money in the fund shall be credited to the
22 fund.

23 Sec. 11. An inland port authority located within the boundaries of
24 a city of the metropolitan class may apply to the State Treasurer for
25 grants to carry out the functions of such inland port authority as
26 authorized under the Municipal Inland Port Authority Act. The application
27 for such grants shall be submitted on a form prescribed by the State
28 Treasurer. The application shall only include the amount of grant funds
29 requested for each grant and a certified copy of the approved city
30 ordinance creating such inland port authority. The State Treasurer shall
31 not be required to verify the information submitted in the application.

1 If adequate funds are available in the Inland Port Authority Fund, the
2 State Treasurer shall award the grants.

3 Sec. 12. The changes made by this legislative bill apply to any
4 inland port authority existing prior to, on, or after the operative date
5 of this section.

6 Sec. 13. The State Treasurer shall transfer:

7 (1) To the Economic Recovery Contingency Fund by October 1, 2024,
8 and on or before June 30 of each year through June 30, 2026, on such
9 dates and in such amounts as directed by the budget administrator of the
10 budget division of the Department of Administrative Services, (a) the
11 first thirteen million dollars of any interest earned on or after July 1,
12 2024, and on or before June 30, 2026, on federal funds allocated to the
13 State of Nebraska from the federal Coronavirus State Fiscal Recovery Fund
14 pursuant to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802,
15 as amended, (b) the first twelve million dollars of any interest earned
16 on or after July 1, 2024, and on or before June 30, 2026, from the
17 investment of money in the Perkins County Canal Project Fund pursuant to
18 section 61-305, and (c) the first five million dollars of any interest
19 earned on or after July 1, 2024, and on or before June 30, 2026, from the
20 investment of money in the Nebraska Capital Construction Fund from
21 transfers credited to such fund that are designated for the construction
22 of a new state prison pursuant to section 72-1001;

23 (2) To the Museum Construction and Maintenance Fund on or before
24 June 30 of each year through June 30, 2026, on such dates and in such
25 amounts as directed by the budget administrator of the budget division of
26 the Department of Administrative Services, the next seven million dollars
27 of any interest earned after the first twelve million dollars of interest
28 earned on or after July 1, 2024, and on or before June 30, 2026, from the
29 investment of money in the Perkins County Canal Project Fund pursuant to
30 section 61-305; and

31 (3) To the Inland Port Authority Fund on or before June 30 of each

1 year through June 30, 2026, on such dates and in such amounts as directed
2 by the budget administrator of the budget division of the Department of
3 Administrative Services, (a) any interest earned after the first thirteen
4 million dollars of interest earned on or after July 1, 2024, and on or
5 before June 30, 2026, on federal funds allocated to the State of Nebraska
6 from the federal Coronavirus State Fiscal Recovery Fund pursuant to the
7 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, (b)
8 any interest earned after the first nineteen million dollars of interest
9 earned on or after July 1, 2024, and on or before June 30, 2026, from the
10 investment of money in the Perkins County Canal Project Fund pursuant to
11 section 61-305, and (c) any interest earned after the first five million
12 dollars of interest earned on or after July 1, 2024, and on or before
13 June 30, 2026, from the investment of money in the Nebraska Capital
14 Construction Fund from transfers credited to such fund that are
15 designated for the construction of a new state prison pursuant to section
16 72-1001.

17 Sec. 14. Section 61-305, Revised Statutes Supplement, 2023, is
18 amended to read:

19 61-305 (1) The Perkins County Canal Project Fund is created. The
20 fund shall be administered by the Department of Natural Resources. The
21 State Treasurer shall credit to the fund any money transferred by the
22 Legislature and such grants, loans, donations, gifts, bequests, or other
23 money received from any federal or state agency or public or private
24 source for use by the department for the canal project. Any fees
25 collected for water delivery may be credited to the fund. Any money in
26 the Perkins County Canal Project Fund available for investment shall be
27 invested by the state investment officer pursuant to the Nebraska Capital
28 Expansion Act and the Nebraska State Funds Investment Act. Any investment
29 earnings from investment of money in the Perkins County Canal Project
30 Fund shall be credited to such fund, except that for fiscal years
31 2023-24, 2024-25, and 2025-26, such investment earnings shall be credited

1 ~~as provided in section 13 of this act to the Economic Recovery~~
2 ~~Contingency Fund.~~

3 (2)(a) The department shall use the Perkins County Canal Project
4 Fund to identify the optimal route and purchase land for and develop,
5 construct, manage, and operate the Perkins County Canal as outlined by
6 the South Platte River Compact and to contract with an independent firm
7 for the purposes of completing a study of such canal. The study shall
8 include, but may not be limited to, the following:

9 (i) Costs of completion of a canal and adjoining reservoirs as
10 outlined in the South Platte River Compact;

11 (ii) A timeline for completion of a canal and adjoining reservoirs
12 as outlined in the South Platte River Compact;

13 (iii) A cost-effectiveness study examining alternatives, including
14 alternatives that may reduce environmental or financial impacts; and

15 (iv) The impacts of the canal on drinking water supplies for the
16 cities of Lincoln and Omaha.

17 (b) The department shall provide the findings of such study
18 electronically to the Clerk of the Legislature and present the findings
19 at a public hearing held by the Appropriations Committee of the
20 Legislature on or before December 31, 2022.

21 Sec. 15. Section 72-819, Revised Statutes Supplement, 2023, is
22 amended to read:

23 72-819 (1) The Game and Parks Commission shall construct, develop,
24 and manage a museum and visitor center honoring Chief Standing Bear.

25 (2) It is the intent of the Legislature to appropriate to the Game
26 and Parks Commission for the Chief Standing Bear Museum and visitor
27 center:

28 (a) Not more than fifteen million dollars for fiscal year 2025-26
29 from investment earnings from the Perkins County Canal Project Fund and
30 credited to the Economic Recovery Contingency Fund as provided in section
31 61-305 for construction of the museum and visitor center;

1 (b) Seven hundred fifty thousand dollars for fiscal year 2025-26
2 from investment earnings from the Perkins County Canal Project Fund and
3 credited to the Economic Recovery Contingency Fund as provided in section
4 61-305 for exhibit fabrication and historical interpretation; and

5 (c) Two hundred thousand dollars in fiscal year 2025-26 for
6 staffing.

7 (3) The Game and Parks Commission may execute a memorandum of
8 understanding or contract with the Nebraska State Historical Society for
9 purposes of museum and visitor center development, exhibit fabrication,
10 and historical interpretation.

11 (4)(a) The Game and Parks Commission shall construct, develop, and
12 manage a museum at Fort Robinson State Park.

13 (b) It is the intent of the Legislature to appropriate to the Game
14 and Parks Commission for the museum at Fort Robinson State Park not more
15 than seven million dollars for fiscal year 2025-26 from the Museum
16 Construction and Maintenance Fund.

17 (c) The Game and Parks Commission may execute a memorandum of
18 understanding or contract with the Nebraska State Historical Society for
19 purposes of museum development, exhibit fabrication, and historical
20 interpretation at Fort Robinson State Park.

21 Sec. 16. Section 72-1001, Revised Statutes Supplement, 2023, is
22 amended to read:

23 72-1001 The Nebraska Capital Construction Fund is created. The fund
24 shall consist of revenue and transfers credited to the fund as authorized
25 by law. Money shall be appropriated from the fund to state agencies for
26 making payments on projects as determined by the Legislature, including,
27 but not limited to, purchases of land, structural improvements to land,
28 acquisition of buildings, construction of buildings, including
29 architectural and engineering costs, replacement of or major repairs to
30 structural improvements to land or buildings, additions to existing
31 structures, remodeling of buildings, and acquisition of equipment and

1 furnishings of new or remodeled buildings. The fund shall be administered
2 by the State Treasurer as a multiple-agency-use fund and appropriated to
3 state agencies as determined by the Legislature. Transfers may be made
4 from the fund to the Capitol Restoration Cash Fund at the direction of
5 the Legislature. Any money in the Nebraska Capital Construction Fund
6 available for investment shall be invested by the state investment
7 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
8 State Funds Investment Act. Any investment earnings from investment of
9 money in the Nebraska Capital Construction Fund shall be credited to such
10 fund, except that for fiscal years 2023-24, 2024-25, and 2025-26, any
11 investment earnings from investment of money in the Nebraska Capital
12 Construction Fund from transfers credited to such fund that are
13 designated for the construction of a new state prison shall be credited
14 as provided in section 13 of this act to the Economic Recovery
15 Contingency Fund.

16 Sec. 17. Section 81-1239, Revised Statutes Supplement, 2023, is
17 amended to read:

18 81-1239 (1) The Middle Income Workforce Housing Investment Fund is
19 created. Funding for the grant program described in section 81-1238 shall
20 come from the Middle Income Workforce Housing Investment Fund. The Middle
21 Income Workforce Housing Investment Fund may include revenue from
22 appropriations from the Legislature, grants, private contributions, and
23 other sources. Any money in the Middle Income Workforce Housing
24 Investment Fund available for investment shall be invested by the state
25 investment officer pursuant to the Nebraska Capital Expansion Act and the
26 Nebraska State Funds Investment Act.

27 (2) The department shall establish a subaccount within the Middle
28 Income Workforce Housing Investment Fund that shall be used to fund
29 affordable housing and related land parcel preparation activities under
30 the Economic Recovery Act as described in subdivisions (4)(d) ~~(4)(e)~~ and
31 (e) ~~(4)(f)~~ of section 81-12,241.

1 (3) The department shall administer the Middle Income Workforce
2 Housing Investment Fund and may seek additional private or nonstate funds
3 to use in the grant program, including, but not limited to, contributions
4 from the Nebraska Investment Finance Authority and other interested
5 parties.

6 (4) Interest earned by the department on grant funds shall be
7 applied to the grant program.

8 (5) If a nonprofit development organization, or a recipient of
9 subaccount funds described in subsection (2) of this section, fails to
10 engage in a qualified activity within twenty-four months after receiving
11 initial grant funding, the nonprofit development organization or
12 recipient of subaccount funds shall return the grant proceeds to the
13 department for credit to the General Fund.

14 (6) Beginning July 1, 2029, any funds held by the department in the
15 Middle Income Workforce Housing Investment Fund shall be transferred to
16 the General Fund.

17 Sec. 18. Section 81-1243, Revised Statutes Supplement, 2023, is
18 amended to read:

19 81-1243 The department may adopt and promulgate rules and
20 regulations to administer and enforce the Middle Income Workforce Housing
21 Investment Act, including rules, regulations, and reporting requirements
22 relating to proposals pursuant to subdivisions ~~(4)(d)~~ ~~(4)(e)~~ and ~~(e)~~ ~~(f)~~
23 of section 81-12,241.

24 Sec. 19. Section 81-12,195, Revised Statutes Cumulative Supplement,
25 2022, is amended to read:

26 81-12,195 Sections 81-12,195 to 81-12,218 and section 21 of this act
27 shall be known and may be cited as the Nebraska Rural Projects Act.

28 Sec. 20. Section 81-12,196, Revised Statutes Cumulative Supplement,
29 2022, is amended to read:

30 81-12,196 For purposes of the Nebraska Rural Projects Act, the
31 definitions found in sections 81-12,197 to 81-12,207 and section 21 of

1 this act shall be used.

2 Sec. 21. Inland port authority has the same meaning as in section
3 13-3303.

4 Sec. 22. Section 81-12,201, Revised Statutes Cumulative Supplement,
5 2022, is amended to read:

6 81-12,201 Investment means the amount paid by the applicant for the
7 project and includes any funding and other resources directed toward the
8 project by a city, a county, an inland port authority, or a public
9 utility. The term also includes any applicant resources received by the
10 applicant for the project. The term does not include any matching funds
11 received by the applicant under the Nebraska Rural Projects Act.

12 Sec. 23. Section 81-12,203, Revised Statutes Supplement, 2023, is
13 amended to read:

14 81-12,203 Project means expenses incurred or to be incurred at one
15 qualified location for:

16 (1) Site acquisition and preparation, transportation infrastructure,
17 utility extensions, and rail spur construction for the development of a
18 new industrial rail access business park, including any such expenses
19 incurred to assist an initial tenant at such business park that conducts
20 business in the manufacturing, processing, distribution, or transloading
21 trades; or

22 (2) Site acquisition and preparation, transportation infrastructure,
23 or ~~and~~ rail spur construction within thirty miles of the largest
24 artificial reservoir constructed in this state for the storage of water.

25 Sec. 24. Section 81-12,215, Revised Statutes Cumulative Supplement,
26 2022, is amended to read:

27 81-12,215 (1) If approved by the director, an ~~an~~ applicant may sell
28 all or any part of the project authorized by the Nebraska Rural Projects
29 Act or the land on which such project is situated to (a) a person who is
30 seeking to establish a business at the site of such project, (b) a city,
31 a county, or a public utility for the purpose of public works

1 infrastructure, including, but not limited to, storm water management, or
2 (c) an inland port authority for the purpose of developing, operating, or
3 managing an inland port district located at the site of such project if
4 the sale is approved by the director.

5 (2) The director shall approve a sale under this section if the
6 director finds that:

7 (a) The sale furthers the goals of the project and the Nebraska
8 Rural Projects Act; or -

9 (b) If the sale is to an inland port authority, the sale furthers
10 the goals of both the Nebraska Rural Projects Act and the Municipal
11 Inland Port Authority Act.

12 (3) Any sale under this section shall not affect any matching funds
13 already granted to the applicant and shall not disqualify the applicant
14 from receiving matching funds after the sale.

15 Sec. 25. Section 81-12,241, Revised Statutes Supplement, 2023, is
16 amended to read:

17 81-12,241 (1) A primary responsibility of the Economic Recovery and
18 Incentives Division of the Department of Economic Development shall be to
19 utilize federal or state funding to award grants as provided in this
20 section. For grants awarded under this section, the division shall pay a
21 grantee an advance of fifty percent of the total grant awarded with the
22 remaining grant funds paid on a monthly basis until the grant is paid in
23 full or by December 31, 2026, whichever occurs sooner. The division may
24 (a) require a grantee to return unused grant funds upon a documented
25 finding that such funds are not being used for the purpose for which the
26 grant was awarded or (b) reduce any future monthly payments by the amount
27 of such unused funds already paid.

28 (2) The division shall direct and prioritize the use of grants
29 awarded under this section toward the economic recovery of those
30 communities and neighborhoods within qualified census tracts or economic
31 redevelopment areas located within the boundaries of a city of the

1 metropolitan class that were disproportionately impacted by the COVID-19
2 public health emergency and related challenges, with an emphasis on
3 housing needs, assistance for small businesses, job training, and
4 business development within such communities and neighborhoods. In
5 prioritizing the use of grants awarded within the boundaries of a city of
6 the metropolitan class, the Economic Recovery and Incentives Division
7 shall rely on any studies produced pursuant to section 81-12,242.

8 (3)(a) The Economic Recovery and Incentives Division shall create a
9 Qualified Census Tract Recovery Grant Program to provide funding to
10 public and private entities located within qualified census tracts
11 throughout the state to respond to the negative impact of the COVID-19
12 public health emergency.

13 (b) Not to exceed ten million dollars in grants shall be distributed
14 under the grant program to eligible grantees in qualified census tracts
15 that are located in a city of the primary class.

16 (c) Not to exceed ten million dollars in grants shall be distributed
17 under the grant program to eligible grantees in qualified census tracts
18 that are located outside of a city of the metropolitan class or a city of
19 the primary class.

20 (d)(i) All remaining funds shall be allocated for grants distributed
21 under the grant program to eligible grantees in qualified census tracts
22 that are located in a city of the metropolitan class.

23 (ii) Any funds not applied for within such areas may be allocated
24 for grants to eligible grantees in any qualified census tract in such
25 city.

26 (4) In addition to grants under the Qualified Census Tract Recovery
27 Grant Program, the Economic Recovery and Incentives Division shall
28 provide grant funding for the following purposes:

29 (a) Not to exceed ninety million dollars in grants to a nonprofit
30 economic development organization for the development of a business park
31 located within or adjacent to one or more qualified census tracts located

1 within the boundaries of a city of the metropolitan class and within two
2 miles of a major airport as defined in section 13-3303. An innovation hub
3 as defined in section 81-12,108 shall not qualify for a grant under this
4 subdivision. Before the release of such grant funds, the division
5 shall: ;

6 (i) Require each recipient of a grant under this subdivision (a) to
7 attend all meetings of the community advisory committee created pursuant
8 to section 7 of this act;

9 (ii) Require each grant recipient to establish a distinct bank
10 account exclusively for the management of grant funds received under this
11 subdivision (a). All proceeds from the lease, sale, or purchase of any
12 real property in the business park by any grant recipient shall only be
13 used for the business park for a minimum of fifteen years after receipt
14 of the grant funding; and

15 (iii) Not release any funds other than the planning grant to any
16 recipient of a grant under this subdivision (a) until the following
17 occurs:

18 (A) The division receives from the grantee a ten-year financial pro
19 forma and the grantee completes due diligence on such ten-year financial
20 pro forma;

21 (B) The grantee holds two public input meetings to receive public
22 input regarding concerns, ideas, and priorities for economic development
23 initiatives within the business park. Such public input meetings shall
24 provide a platform for dialogue and collaboration between residents, the
25 developer, local government officials, and other stakeholders; and

26 (C) A letter of support is received from the inland port authority
27 managing the inland port district in which such business park is located;

28 ~~(b) Not to exceed thirty million dollars in grants to one or more~~
29 ~~innovation hubs located within or adjacent to one or more qualified~~
30 ~~census tracts and within two miles of a major airport as defined in~~
31 ~~section 13-3303 providing services and resources within qualified census~~

1 ~~tracts located within the boundaries of a city of the metropolitan class;~~

2 ~~(b) (e)~~ Not to exceed six million dollars in grants to a nonprofit
3 organization partnering with a city of the metropolitan class for the
4 purpose of providing internships and crime prevention within qualified
5 census tracts located within the boundaries of such city;

6 ~~(c) (d)~~ Not to exceed five million dollars in grants pursuant to the
7 purposes of the Nebraska Film Office Fund on or before June 30, 2023, for
8 the purpose of producing a film on Chief Standing Bear, a portion of
9 which is to be filmed in one or more qualified census tracts located
10 within the boundaries of a city of the metropolitan class;

11 ~~(d) (e)~~ Not to exceed twenty million dollars in grants to public or
12 private entities to prepare land parcels for affordable housing or
13 conduct other eligible affordable housing interventions under the federal
14 American Rescue Plan Act of 2021 including production, rehabilitation,
15 and preservation of affordable rental housing and affordable
16 homeownership units within qualified census tracts which are located in a
17 city of the metropolitan class;

18 ~~(e) (f)~~ Not to exceed twenty million dollars in grants to public or
19 private entities to prepare land parcels for affordable housing or
20 conduct other eligible affordable housing interventions under the federal
21 American Rescue Plan Act of 2021 including production, rehabilitation,
22 and preservation of affordable rental housing and affordable
23 homeownership units within qualified census tracts which are located in a
24 city of the primary class;

25 ~~(f) (g)~~ Not to exceed five million dollars in grants to a county
26 agricultural society with facilities within a city of the primary class
27 to recoup lost revenue; and

28 ~~(g) (h)~~ Not to exceed one million dollars in grants to a
29 postsecondary institution located in a qualified census tract in a city
30 of the metropolitan class to provide funding for a financial literacy
31 program to improve economic and health outcomes for individuals residing

1 in qualified census tracts.

2 (5) For purposes of subdivisions ~~(4)(d)~~ ~~(4)(e)~~ and ~~(e)~~ ~~(f)~~ of this
3 section, preparing land parcels shall include:

4 (a) Costs and fees associated with legal land surveys and structural
5 assessments;

6 (b) Laying drinking water mains, lines, pipes, or channels;

7 (c) Development of access to essential utilities, such as sanitary
8 sewer, electric, gas, and high-speed Internet;

9 (d) Rehabilitation, renovation, maintenance, or other costs to
10 secure vacant or abandoned properties in disproportionately impacted
11 communities;

12 (e) Acquiring and securing legal title of vacant or abandoned
13 properties in disproportionately impacted communities;

14 (f) Testing, removal, and remediation of environmental contaminants
15 or hazards from vacant or abandoned properties in disproportionately
16 impacted communities when conducted in compliance with applicable
17 environmental laws or regulations;

18 (g) Demolition or deconstruction of vacant or abandoned buildings in
19 disproportionately impacted communities; and

20 (h) Costs associated with inspection fees and other administrative
21 costs incurred to ensure compliance with applicable environmental laws
22 and regulations for demolition or other remediation activities in
23 disproportionately impacted communities.

24 (6) All grants made by the Economic Recovery and Incentives Division
25 utilizing federal funds allocated to the State of Nebraska from the
26 federal Coronavirus State Fiscal Recovery Fund under the federal American
27 Rescue Plan Act of 2021 shall meet the eligible uses under such act and
28 any relevant guidance on the use of such funds by the United States
29 Department of the Treasury.

30 (7) All grants made by the Economic Recovery and Incentives Division
31 utilizing state funds to carry out subsection (2) of section 81-1239 are

1 subject to the intent and basic parameters of the federal American Rescue
2 Plan Act of 2021 but are not subject to meet the time restraints for
3 allocation and spending of funds or the federal reporting requirements
4 indicated in the federal American Rescue Plan Act of 2021.

5 Sec. 26. Section 81-12,241.01, Revised Statutes Supplement, 2023, is
6 amended to read:

7 81-12,241.01 (1)(a) The Economic Recovery and Incentives Division of
8 the Department of Economic Development shall create and administer the
9 North and South Omaha Recovery Grant Program to provide grants as
10 provided in this section to public and private entities to respond to the
11 negative impact of the COVID-19 public health emergency and build
12 resilient and innovative communities.

13 (b) To be eligible for a grant under the North and South Omaha
14 Recovery Grant Program, a project shall:

15 (i) Be listed in the coordination plan or appendices by the Economic
16 Recovery Special Committee of the Legislature dated January 10, 2023; and

17 (ii) Explain how the grant will relieve the negative impact of the
18 COVID-19 public health emergency within a qualified census tract or an
19 economic redevelopment area located within the boundaries of a city of
20 the metropolitan class and build resilient and innovative communities,
21 with a priority on small business development, job creation, and economic
22 development within such communities.

23 (2) When considering projects for grants under this section, the
24 division shall use the coordination plan and appendices, dated January
25 10, 2023. Projects that would benefit communities and neighborhoods
26 within qualified census tracts or economic redevelopment areas located
27 within the boundaries of a city of the metropolitan class with a priority
28 on small business development, job creation, and economic development
29 within such communities and neighborhoods shall be prioritized.

30 (3) The division shall award additional grants for the following
31 purposes:

1 (a) Not to exceed twenty million dollars in grants for the purpose
2 of creating a museum located in one or more qualified census tracts
3 located within the boundaries of a city of the metropolitan class and
4 that is named in honor of a person inducted into the Nebraska Hall of
5 Fame on or before September 1, 2023; and

6 (b) Not to exceed twenty million dollars in grants to federally
7 qualified health centers located in a city of the metropolitan class.
8 Such grants shall be used for persons receiving services under
9 subsections (g), (h), or (i) of section 330 of the federal Public Health
10 Service Act, 42 U.S.C. 254b, as such section existed on January 1, 2023.

11 (4) For grants awarded under this section, the division shall pay a
12 grantee an advance of fifty percent of the total grant awarded with the
13 remaining grant funds paid on a monthly basis until the grant is paid in
14 full or by December 31, 2027, whichever occurs sooner. If a grantee does
15 not use the grant funds paid, the division may (a) require such grantee
16 to return such unused grant funds upon a documented finding that such
17 funds have not been used or (b) reduce any future monthly payments by the
18 amount of such unused grant funds already paid.

19 (5) The Department of Economic Development may assign any grant or
20 contract awarded under the Economic Recovery Act to a city of the
21 metropolitan class or to an inland port authority located within such
22 city.

23 Sec. 27. Section 81-12,243, Revised Statutes Supplement, 2023, is
24 amended to read:

25 81-12,243 (1) The Economic Recovery Contingency Fund is created. The
26 fund shall consist of transfers by the Legislature to carry out the
27 Economic Recovery Act. Any money in the fund available for investment
28 shall be invested by the state investment officer pursuant to the
29 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
30 Act. Investment earnings on and after July 1, 2023, shall be credited to
31 the fund.

1 (2) The Department of Economic Development may review the projects
2 listed in the coordination plan and the appendices by the Economic
3 Recovery Special Committee of the Legislature dated January 10, 2023, and
4 shall prioritize the use of the fund on projects listed in the
5 coordination plan followed by the projects in the appendices.

6 (3) The State Treasurer shall transfer thirty million dollars from
7 the Economic Recovery Contingency Fund to the Inland Port Authority Fund
8 no later than five business days after the operative date of this section
9 for the purpose of creating and operating an innovation district by an
10 inland port authority and for any other purpose authorized under the
11 Municipal Inland Port Authority Act.

12 (4) The State Treasurer shall transfer any unobligated funds
13 remaining in the Economic Recovery Contingency Fund on July 31, 2026, to
14 the Inland Port Authority Fund.

15 (5) The State Treasurer shall transfer seven million dollars from
16 the Economic Recovery Contingency Fund to the Museum Construction and
17 Maintenance Fund on or after January 1, 2026, but before June 30, 2026,
18 on such dates and in such amounts as directed by the budget administrator
19 of the budget division of the Department of Administrative Services.

20 Sec. 28. Section 81-12,244, Revised Statutes Supplement, 2023, is
21 amended to read:

22 81-12,244 (1) It is the intent of the Legislature to appropriate ten
23 million dollars from the General Fund for fiscal year 2023-24 to the
24 Department of Economic Development to carry out the Economic Recovery
25 Act. The department may use not more than ten million dollars of such
26 money for the administration of the Economic Recovery Act.

27 (2) The State Treasurer shall transfer (a) ~~any~~ interest earned after
28 April 19, 2022, on federal funds allocated to the State of Nebraska from
29 the federal Coronavirus State Fiscal Recovery Fund pursuant to the
30 federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as amended, to
31 the Economic Recovery Contingency Fund between June 1, 2023, and June 30,

1 2023, and on or before June 30, 2024, and as provided in section 13 of
2 ~~this act each year thereafter~~, on such dates and in such amounts as
3 directed by the budget administrator of the budget division of the
4 Department of Administrative Services, and (b) any investment earnings
5 from the investment of money in ~~(i)~~ the Perkins County Canal Project Fund
6 pursuant to section 61-305 to the Economic Recovery Contingency Fund as
7 provided in section 13 of this act, and (c) investment earnings from the
8 investment of money in (ii) the Nebraska Capital Construction Fund from
9 transfers credited to such fund that are designated for the construction
10 of a new state prison pursuant to section 72-1001 to the Economic
11 Recovery Contingency Fund between June 1, 2023, and June 30, 2023, and as
12 provided in section 13 of this act on or before June 30 each year
13 ~~thereafter through June 30, 2026, on such dates and in such amounts as~~
14 ~~directed by the budget administrator of the budget division of the~~
15 ~~Department of Administrative Services.~~

16 (3) It is the intent of the Legislature that any unobligated amount
17 as of July 1, 2024, of the federal funds allocated to the State of
18 Nebraska from the federal Coronavirus State Fiscal Recovery Fund pursuant
19 to the federal American Rescue Plan Act of 2021, 42 U.S.C. 802, as
20 amended, be appropriated to the Department of Economic Development to
21 carry out the Economic Recovery Act no later than August 1, 2024.

22 ~~(4) It is the intent of the Legislature to appropriate ten million~~
23 ~~dollars from the General Fund to the Department of Economic Development~~
24 ~~for fiscal year 2022-23 to provide grants under the Economic Recovery~~
25 ~~Act.~~

26 (4) (5) It is the intent of the Legislature to transfer ten million
27 dollars from the General Fund to the Economic Recovery Contingency Fund
28 for fiscal year 2023-24 and ten million dollars from the General Fund to
29 the Economic Recovery Contingency Fund for fiscal year 2024-25 to provide
30 grants under the Economic Recovery Act.

31 Sec. 29. Section 84-602, Revised Statutes Cumulative Supplement,

1 2022, is amended to read:

2 84-602 It shall be the duty of the State Treasurer:

3 (1) To receive and keep all money of the state not expressly
4 required to be received and kept by some other person;

5 (2) To disburse the public money upon warrants drawn upon the state
6 treasury according to law and not otherwise;

7 (3) To keep a just, true, and comprehensive account of all money
8 received and disbursed;

9 (4) To keep a just account with each fund, and each head of
10 appropriation made by law, and the warrants drawn against them;

11 (5) To report electronically to the Legislature as soon as
12 practicable, but within ten days after the commencement of each regular
13 session, a detailed statement of the condition of the treasury and its
14 operations for the preceding fiscal year;

15 (6) To give information electronically to the Legislature, whenever
16 required, upon any subject connected with the treasury or touching any
17 duty of his or her office;

18 (7) To account for, and pay over, all money received by him or her
19 as such treasurer, to his or her successor in office, and deliver all
20 books, vouchers, and effects of office to him or her; and such successor
21 shall receipt therefor. In accounting for and paying over such money the
22 treasurer shall not be held liable on account of any loss occasioned by
23 any investment, when such investment shall have been made pursuant to the
24 direction of the state investment officer;~~and~~

25 (8) To develop and maintain the website required under the Taxpayer
26 Transparency Act; and -

27 (9) To award grants as provided under the Municipal Inland Port
28 Authority Act.

29 Sec. 30. Sections 30 to 43 of this act shall be known and may be
30 cited as the Child Care Capacity Building and Workforce Act.

31 Sec. 31. The Legislature finds that:

- 1 (1) There is a lack of licensed child care programs in Nebraska;
- 2 (2) Providing incentives and support to the child care workforce
- 3 will help maintain and increase the child care capacity in Nebraska;
- 4 (3) An increased child care capacity will bolster Nebraska's economy
- 5 by providing parents and guardians the ability to enter, re-enter, and
- 6 remain in the workforce; and
- 7 (4) The benefits of quality child care and early childhood education
- 8 are indisputable and a connection exists between a child's learning
- 9 experiences before entering kindergarten and success in school.

10 Sec. 32. For purposes of the Child Care Capacity Building and
11 Workforce Act:

12 (1) Capacity means the number of children receiving care or services
13 through an approved program;

14 (2) Community foundation means a tax-exempt, nonprofit, autonomous,
15 nonsectarian, philanthropic institution supported by the public with the
16 long-term goals of:

17 (a) Building permanent, component funds established by many separate
18 donors to carry out charitable interests; and

19 (b) Supporting the broad-based charitable interests and benefiting
20 the residents of a defined geographic area;

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

22 (4) Eligible recipient means:

23 (a) Any city of the metropolitan class, city of the primary class,
24 city of the first class, city of the second class, village, or county;

25 (b) Any nonprofit organization, including any community foundation;
26 or

27 (c) Any other entity determined appropriate in rules and regulations
28 adopted and promulgated by the department;

29 (5) License-exempt provider means any approved license-exempt
30 provider enrolled in the child care subsidy program pursuant to sections
31 68-1202 and 68-1206;

1 (6) Licensed child care program means a program described in section
2 71-1911; and

3 (7) Regional facilitator hub means any entity that provides
4 administrative and technical support to any licensed child care program,
5 including any:

6 (a) Nonprofit organization; or

7 (b) Community foundation.

8 Sec. 33. (1) The Child Care Capacity Building and Workforce Grant
9 Program is created.

10 (2) The department shall contract with a statewide organization that
11 supports children and families to administer the program, which may
12 include providing technical assistance to any grant recipient. Up to five
13 percent of the money appropriated to the department each fiscal year for
14 purposes of the Child Care Capacity Building and Workforce Act may be
15 reserved for such contract with a statewide organization.

16 (3) Under the guidance of the department, the statewide organization
17 shall be responsible for the following under the program:

18 (a) Prescribing the form on which an eligible recipient may apply to
19 receive a grant under the program;

20 (b) Reviewing applications and identifying potential grant
21 recipients;

22 (c) Providing technical assistance to grant recipients; and

23 (d) Coordinating with the Department of Health and Human Services
24 and the State Department of Education to determine if the grant request
25 will help meet the child care needs of the eligible recipient.

26 (4) The Department of Economic Development shall:

27 (a) Award grants to eligible recipients across the state and in
28 urban and rural areas to the fullest extent possible;

29 (b) Award a grant to an eligible recipient based upon a list of the
30 potential grant recipients that are identified by the statewide
31 organization; and

1 (c) Prioritize applicants that are requesting a grant to:

2 (i) Increase child care capacity for children three years of age or
3 younger by creating a new licensed child care program or license-exempt
4 child care program serving children enrolled in child care subsidy or
5 expanding an existing licensed-child care or license-exempt child care
6 program serving children enrolled in child care subsidy;

7 (ii) Support the child care workforce; or

8 (iii) Create a child care program in a county that is not served by
9 any licensed or license-exempt child care program that offers full-day
10 full-year care.

11 Sec. 34. To be eligible to receive a grant under the Child Care
12 Capacity Building and Workforce Grant Program, an eligible recipient
13 shall complete the application form prescribed by the statewide
14 organization and provide for a one-to-one match for the amount of the
15 grant. The eligible recipient shall include the following required
16 information in its grant application:

17 (1) A needs assessment showing the child care capacity and the needs
18 of the eligible recipient at the time of application;

19 (2) How the eligible recipient plans to use the grant;

20 (3) How the eligible recipient plans to provide a one-to-one match
21 for the amount of any grant received. Such match shall be in the form of:

22 (a) Money or other collateral;

23 (b) An in-kind donation, including a donation of facilities,
24 maintenance, or equipment; or

25 (c) Any combination of money, collateral, or in-kind donation that
26 is approved by the department; and

27 (4) Any other information required by the department.

28 Sec. 35. A grant recipient under the Child Care Capacity Building
29 and Workforce Grant Program may use the grant to provide financial or
30 other support to:

31 (1) The operation of a licensed child care program;

1 (2) The operation of a license-exempt provider serving children
2 enrolled in child care subsidy;

3 (3) The child care workforce;

4 (4) Parents or guardians with children in child care programs;

5 (5) A federal Head Start program or Early Head Start program;

6 (6) Start or expand any existing licensed child care program or
7 license-exempt program serving any child on a child care subsidy;

8 (7) An entity other than the statewide organization contracted to
9 administer the Child Care Capacity Building and Workforce Program that
10 provides administrative or technical support to a child care program;

11 (8) Build or remodel an existing building for child care purposes;

12 (9) Any purpose specified in rules and regulations adopted and
13 promulgated by the department; or

14 (10) Any combination of such purposes.

15 Sec. 36. (1) Each grant recipient under the Child Care Capacity
16 Building and Workforce Grant Program shall provide the one-to-one match
17 prior to receiving any disbursement of grant proceeds under the program.

18 (2) The department shall specify how a grant recipient may provide
19 proof of a one-to-one match for a grant.

20 (3) The department shall disburse the grant proceeds to any grant
21 recipient that provides satisfactory proof of a one-to-one match. The
22 grant may be disbursed in increments as determined by the department.

23 Sec. 37. (1)(a) If the department determines that a grant recipient
24 used the grant other than as provided in section 35 of this act, the
25 department may request the grant recipient to repay such grant and any
26 remaining portion of the grant in the possession of the grant recipient
27 to the department.

28 (b) If the department determines that a grant recipient falsified
29 any information provided in the application process, the department may
30 request the grant recipient to repay any or all of the grant disbursed to
31 the grant recipient.

1 (2) A grant recipient that receives a request to repay a grant
2 pursuant to subsection (1) of this section may appeal the decision, and
3 the appeal shall be in accordance with the Administrative Procedure Act.

4 (3) Any money received under this section shall be remitted to the
5 State Treasurer for credit to the Child Care Capacity Building and
6 Workforce Cash Fund.

7 Sec. 38. The department shall submit a report to the Legislature
8 electronically on July 1, 2025, and each July 1 thereafter. Each report
9 shall include the following:

10 (1) For each grant awarded under the Child Care Capacity Building
11 and Workforce Grant Program since the effective date of this act for the
12 first such report and since the most recent report under this section for
13 each subsequent report:

14 (a) The name of the grant recipient;

15 (b) The amount of the grant;

16 (c) The reason the grant was requested; and

17 (d) The number, age, and county location of any children served
18 through a valid use of a grant described under section 35 of this act;

19 (2) The total amount of money awarded as grants and the total number
20 of children served under subdivision (1) of this section;

21 (3) A compilation of ages and county locations of all children
22 served through a valid use of a grant described under section 35 of this
23 act;

24 (4) Administrative costs of the department to administer the Child
25 Care Capacity Building and Workforce Grant Program; and

26 (5) Any other information the department deems relevant to the Child
27 Care Capacity Building and Workforce Grant Program.

28 Sec. 39. (1) The Family Child Care Home Grant Program is created
29 and shall be administered by the department.

30 (2) The department shall provide grants for new and existing
31 licensed family child care home programs in residential and

1 nonresidential facilities and to create regional facilitator hubs in
2 order to provide administrative and technical support to new and existing
3 licensed family child care home programs in residential and
4 nonresidential facilities.

5 (3) Any licensed child care provider, nonprofit organization, for-
6 profit organization, community foundation, school, or regional
7 facilitator hub or any other entity specified in rules and regulations
8 adopted and promulgated by the department may apply for a grant under the
9 Family Child Care Home Grant Program.

10 (4) A grant recipient under the Family Child Care Home Grant Program
11 shall only use the grant to provide financial or other support to:

12 (a) An existing licensed family child care program in a residential
13 or nonresidential building that is licensed to serve up to twelve
14 children of mixed ages;

15 (b) Create a new licensed family child care home program in a
16 residential or nonresidential building that is licensed to serve up to
17 twelve children of mixed ages; or

18 (c) Regional facilitator hubs that will provide administrative and
19 technical support to family child care home programs.

20 Sec. 40. The department shall submit a report to the Legislature
21 electronically on July 1, 2025, and each July 1 thereafter. Each report
22 shall include the following:

23 (1) For each grant awarded under the Family Child Care Home Grant
24 Program since the operative date of this section for the first such
25 report and since the most recent report under this section for each
26 subsequent report:

27 (a) The name of the grant recipient;

28 (b) The amount of the grant;

29 (c) The reason the grant was requested and how the money was used by
30 the grant recipient; and

31 (d) The number, age, and county location of any children served

1 through a valid use of a grant described under section 39 of this act;

2 (2) The total amount of money awarded as grants and the total number
3 of children served under subdivision (1) of this section;

4 (3) A compilation of ages and county locations of all children
5 served through a valid use of a grant described under section 39 of this
6 act;

7 (4) Administrative costs of the department to administer the Family
8 Child Care Home Grant Program; and

9 (5) Any other information the department deems relevant to the
10 Family Child Care Home Grant Program.

11 Sec. 41. (1) The Child Care Capacity Building and Workforce Cash
12 Fund is created. The department shall administer the fund for purposes of
13 the Child Care Capacity Building and Workforce Act. The fund may consist
14 of transfers authorized by the Legislature and any gifts, grants,
15 bequests, or donations to the fund.

16 (2) Any money in the fund available for investment shall be invested
17 by the state investment officer pursuant to the Nebraska Capital
18 Expansion Act and the Nebraska State Funds Investment Act.

19 Sec. 42. The total amount of grants awarded under the Child Care
20 Capacity Building and Workforce Act shall be subject to the appropriation
21 of funds from the Child Care Capacity Building and Workforce Cash Fund.

22 Sec. 43. The department may adopt and promulgate rules and
23 regulations to administer the Child Care Capacity Building and Workforce
24 Act.

25 Sec. 44. Section 31, Legislative Bill 1413, One Hundred Eighth
26 Legislature, Second Session, 2024, is amended to read:

27 Sec. 31. The Museum Construction and Maintenance Fund is hereby
28 created. The fund shall consist of transfers at the direction of the
29 Legislature and any gifts, bequests, or other contributions to such fund
30 from public or private entities. The Game and Parks Commission shall
31 administer the fund. The fund shall be used to (1) provide grants to a

1 federally recognized Indian tribe for the purposes of construction of a
2 museum and visitor center honoring Chief Standing Bear, including visitor
3 center development, exhibit fabrication, and historical interpretation,
4 and for any administrative costs related to the grants, and (2)
5 construct, develop, and manage a museum at Fort Robinson State Park. Any
6 money in the fund available for investment shall be invested by the state
7 investment officer pursuant to the Nebraska Capital Expansion Act and the
8 Nebraska State Funds Investment Act. Investment earnings shall be
9 credited to the fund.

10 Sec. 45. Sections 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41,
11 42, and 43 of this act become operative three calendar months after the
12 adjournment of this legislative session. The other sections of this act
13 become operative on their effective date.

14 Sec. 46. Original sections 13-3301, 13-3302, 13-3303, 13-3304,
15 13-3305, 13-3306, 13-3310, and 13-3311, Reissue Revised Statutes of
16 Nebraska, sections 81-12,195, 81-12,196, 81-12,201, 81-12,215, and
17 84-602, Revised Statutes Cumulative Supplement, 2022, sections 61-305,
18 72-819, 72-1001, 81-1239, 81-1243, 81-12,203, 81-12,241, 81-12,241.01,
19 81-12,243, and 81-12,244, Revised Statutes Supplement, 2023, and section
20 31, Legislative Bill 1413, One Hundred Eighth Legislature, Second
21 Session, 2024, are repealed.

22 Sec. 47. Since an emergency exists, this act takes effect when
23 passed and approved according to law.