

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 292

Introduced by Urban Affairs Committee: McKinney, 11, Chairperson;
Cavanaugh, J., 9; Clouse, 37; Quick, 35; Rountree, 3;
Sorrentino, 39.

Read first time January 15, 2025

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to prefabricated housing; to amend section
- 2 81-1239, Reissue Revised Statutes of Nebraska; to provide for a
- 3 grant to study prefabricated housing; to provide for funding; and to
- 4 repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 81-1239, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 81-1239 (1) The Middle Income Workforce Housing Investment Fund is
4 created. Funding for the grant program described in section 81-1238 shall
5 come from the Middle Income Workforce Housing Investment Fund. The Middle
6 Income Workforce Housing Investment Fund may include revenue transferred
7 at the direction of ~~from appropriations from~~ the Legislature, grants,
8 private contributions, and other sources. Any money in the Middle Income
9 Workforce Housing Investment Fund available for investment shall be
10 invested by the state investment officer pursuant to the Nebraska Capital
11 Expansion Act and the Nebraska State Funds Investment Act.

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

17 (3) The department shall administer the Middle Income Workforce
18 Housing Investment Fund and may seek additional private or nonstate funds
19 to use in the grant program under the Middle Income Workforce Housing
20 Investment Act, including, but not limited to, contributions from the
21 Nebraska Investment Finance Authority and other interested parties.

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

24 (5) If a nonprofit development organization, or a recipient of
25 subaccount funds described in subsection (2) of this section, fails to
26 engage in a qualified activity within twenty-four months after receiving
27 initial grant funding, the nonprofit development organization or
28 recipient of subaccount funds shall return the grant proceeds to the
29 department for credit to the General Fund.

30 (6) It is the intent of the Legislature to appropriate five hundred
31 thousand dollars from the Middle Income Workforce Housing Investment Fund

1 to the Department of Economic Development for purposes of the grant in
2 section 2 of this act.

3 (7) (6) Beginning July 1, 2029, any funds held by the department in
4 the Middle Income Workforce Housing Investment Fund shall be transferred
5 to the General Fund.

6 **Sec. 2.** (1) For purposes of this section, prefabricated housing
7 includes a manufactured home as defined in section 23-114 and any other
8 housing constructed using sections or components that are manufactured
9 offsite in a factory setting.

10 (2) The Department of Economic Development shall award a grant to a
11 qualified applicant to conduct a study regarding prefabricated housing in
12 Nebraska.

13 (3) In order to qualify for the grant, an applicant shall
14 demonstrate to the satisfaction of the department that the applicant has:

15 (a) Demonstrated capacity as shown by adequate personnel with
16 expertise in areas relevant to the study, such as housing policy, zoning
17 regulations, infrastructure, or prefabricated housing technology, and by
18 access to technological resources necessary to conduct the study, such as
19 data analysis tools or simulation models;

20 (b) Commitment to deliverables as shown by an agreement to provide a
21 comprehensive presentation and an electronic report to the department by
22 April 1, 2026;

23 (c) Expertise and experience as shown by a proven track record in
24 conducting similar studies or projects related to housing, urban
25 development, or economic studies; and

26 (d) Stakeholder engagement capability as shown by the ability to
27 collaborate with municipalities, counties, manufacturers, and utility
28 providers to gather data and insights for the study.

29 (4) The study shall include:

30 (a) Zoning regulations that impact the location of prefabricated
31 housing in various sizes of municipalities and counties;

1 (b) State and local regulation of the manufacturing and use of
2 prefabricated housing;

3 (c) The infrastructure necessary and available for prefabricated
4 housing in various sizes of municipalities and counties;

5 (d) The utilities necessary and available for prefabricated housing
6 sites in various sizes of municipalities and counties;

7 (e) The capital necessary and available for manufacturing
8 prefabricated housing, site selection for prefabricated housing, and use
9 of prefabricated housing by homeowners;

10 (f) The current availability of prefabricated housing and housing
11 units in various sizes of municipalities and counties;

12 (g) The interested population groups for the purchase or lease of
13 prefabricated housing; and

14 (h) Incentives for buyers, renters, manufacturers, and developers of
15 prefabricated housing.

16 **Sec. 3.** Original section 81-1239, Reissue Revised Statutes of
17 Nebraska, is repealed.