

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 328

Introduced by Holdcroft, 36.

Read first time January 16, 2025

Committee: Revenue

1 A BILL FOR AN ACT relating to revenue and taxation; to amend sections
2 58-711, 68-1604, 76-903, and 81-12,146, Reissue Revised Statutes of
3 Nebraska, and sections 58-703 and 71-812, Revised Statutes
4 Cumulative Supplement, 2024; to change provisions relating to the
5 disbursement of the documentary stamp tax and the funding of the
6 Affordable Housing Trust Fund, the Homeless Shelter Assistance Trust
7 Fund, the Behavioral Health Services Fund, and the Site and Building
8 Development Fund; to harmonize provisions; to provide an operative
9 date; and to repeal the original sections.
10 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 58-703, Revised Statutes Cumulative Supplement,
2 2024, is amended to read:

3 58-703 The Affordable Housing Trust Fund is created. The fund ~~shall~~
4 ~~receive money pursuant to section 76-903 and~~ may include revenue from
5 sources recommended by the housing advisory committee established in
6 section 58-704, appropriations from the Legislature, transfers authorized
7 by the Legislature, grants, private contributions, repayment of loans,
8 and all other sources. The Department of Economic Development as part of
9 its comprehensive housing affordability strategy shall administer the
10 Affordable Housing Trust Fund.

11 Transfers may be made from the Affordable Housing Trust Fund to the
12 General Fund, the Behavioral Health Services Fund, the Lead-Based Paint
13 Hazard Control Cash Fund, the Middle Income Workforce Housing Investment
14 Fund, the Rural Workforce Housing Investment Fund, and the Site and
15 Building Development Fund at the direction of the Legislature.

16 **Sec. 2.** Section 58-711, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 58-711 (1) The Department of Economic Development shall submit, as
19 part of the department's annual status report under section 81-1201.11,
20 the following information regarding the Affordable Housing Trust Fund:
21 (a) The applications funded during the previous calendar year; (b) the
22 applications funded in previous years; (c) the identity of the
23 organizations receiving funds; (d) the location of each project; (e) the
24 amount of funding provided to each project; (f) the amount of funding
25 leveraged as a result of each project; (g) the number of units of housing
26 created by each project and the occupancy rate; (h) the expected cost of
27 rent or monthly payment of those units; (i) the projected number of new
28 employees and community investment as a result of each project; (j) ~~the~~
29 ~~amount of revenue deposited into the Affordable Housing Trust Fund~~
30 ~~pursuant to section 76-903;~~ (k) the total amount of funds for which
31 applications were received during the previous calendar year, the year-

1 end fund balance, and, if all available funds have not been committed, an
2 explanation of the reasons why all such funds have not been so committed;
3 (k) ~~(l)~~ the amount of appropriated funds actually expended by the
4 department for the previous calendar year; (l) ~~(m)~~ the department's
5 current budget for administration of the Nebraska Affordable Housing Act
6 and the department's planned use and distribution of funds, including
7 details on the amount of funds to be expended on projects and the amount
8 of funds to be expended by the department for administrative purposes;
9 and (m) ~~(n)~~ project summaries, including the applicant municipality,
10 project description, grant amount requested, amount and type of matching
11 funds, and reasons for approval or denial for every application seeking
12 funds during the previous calendar year.

13 (2) The status report shall contain no information that is protected
14 by state or federal confidentiality laws.

15 **Sec. 3.** Section 68-1604, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 68-1604 The Homeless Shelter Assistance Trust Fund is hereby
18 created. The fund shall include ~~the proceeds raised from the documentary~~
19 ~~stamp tax and remitted for such fund pursuant to section 76-903 and~~
20 transfers authorized by the Legislature. Money remitted to such fund
21 shall be used by the department (1) for grants to eligible shelter
22 providers as set out in section 68-1605 for the purpose of assisting in
23 the alleviation of homelessness, to provide temporary and permanent
24 shelters for homeless persons, to encourage the development of projects
25 which link housing assistance to programs promoting the concept of self-
26 sufficiency, and to address the needs of the migrant farmworker and (2)
27 to aid in defraying the expenses of administering the Homeless Shelter
28 Assistance Trust Fund Act, which shall not exceed seventy-five thousand
29 dollars in any fiscal year.

30 Any money in the fund available for investment shall be invested by
31 the state investment officer pursuant to the Nebraska Capital Expansion

1 Act and the Nebraska State Funds Investment Act.

2 **Sec. 4.** Section 71-812, Revised Statutes Cumulative Supplement,
3 2024, is amended to read:

4 71-812 (1) The Behavioral Health Services Fund is created. The fund
5 shall be administered by the division and shall contain cash funds
6 appropriated by the Legislature or otherwise received by the department
7 for the provision of behavioral health services from any other public or
8 private source and directed by the Legislature for credit to the fund.
9 Transfers may be made from the fund to the General Fund at the direction
10 of the Legislature.

11 (2) The Behavioral Health Services Fund shall be used to encourage
12 and facilitate the statewide development and provision of community-based
13 behavioral health services, including, but not limited to, (a) the
14 provision of grants, loans, and other assistance for such purpose and (b)
15 reimbursement to providers of such services.

16 (3)(a) ~~The Behavioral Health Services Fund Money transferred to the~~
17 ~~fund under section 76-903~~ shall also be used for housing-related
18 assistance for very low-income adults with serious mental illness, except
19 that if the division determines that all housing-related assistance
20 obligations under this subsection have been fully satisfied, the division
21 may distribute any excess money in the fund, up to twenty percent of such
22 money, to regional behavioral health authorities for acquisition or
23 rehabilitation of housing to assist such persons. The division shall
24 manage and distribute such funds based upon a formula established by the
25 division, in consultation with regional behavioral health authorities and
26 the department, in a manner consistent with and reasonably calculated to
27 promote the purposes of the public behavioral health system enumerated in
28 section 71-803. The division shall contract with each regional behavioral
29 health authority for the provision of such assistance. Each regional
30 behavioral health authority may contract with qualifying public, private,
31 or nonprofit entities for the provision of such assistance.

1 (b) For purposes of this subsection:

2 (i) Adult with serious mental illness means a person eighteen years
3 of age or older who has, or at any time during the immediately preceding
4 twelve months has had, a diagnosable mental, behavioral, or emotional
5 disorder of sufficient duration to meet diagnostic criteria identified in
6 the most recent edition of the Diagnostic and Statistical Manual of
7 Mental Disorders and which has resulted in functional impairment that
8 substantially interferes with or limits one or more major life functions.
9 Serious mental illness does not include DSM V codes, substance abuse
10 disorders, or developmental disabilities unless such conditions exist
11 concurrently with a diagnosable serious mental illness;

12 (ii) Housing-related assistance includes rental payments, utility
13 payments, security and utility deposits, landlord risk mitigation
14 payments, and other related costs and payments;

15 (iii) Landlord risk mitigation payment means a payment provided to a
16 landlord who leases or rents property to a very low-income adult with
17 serious mental illness which may be used to pay for excessive damage to
18 the rental property, any lost rent, any legal fees incurred by the
19 landlord in excess of the security deposit, or any other expenses
20 incurred by the landlord as a result of leasing or renting the property
21 to such individual; and

22 (iv) Very low-income means a household income of fifty percent or
23 less of the applicable median family income estimate as established by
24 the United States Department of Housing and Urban Development.

25 (4) Any money in the fund available for investment shall be invested
26 by the state investment officer pursuant to the Nebraska Capital
27 Expansion Act and the Nebraska State Funds Investment Act.

28 **Sec. 5.** Section 76-903, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 76-903 The Tax Commissioner shall design such stamps in such
31 denominations as in his or her judgment will be the most advantageous to

1 all persons concerned. When any deed subject to the tax imposed by
2 section 76-901 is offered for recordation, the register of deeds shall
3 ascertain and compute the amount of the tax due thereon and shall collect
4 such amount as a prerequisite to acceptance of the deed for recordation.
5 If a dispute arises concerning the taxability of the transfer, the
6 register of deeds shall not record the deed until the disputed tax is
7 paid. If a disputed tax has been paid, the taxpayer may file for a refund
8 pursuant to section 76-908. The taxpayer may also seek a declaratory
9 ruling pursuant to rules and regulations adopted and promulgated by the
10 Department of Revenue. ~~Any~~ ~~From each two dollars and twenty-five cents of~~
11 ~~tax collected pursuant to section 76-901 , the register of deeds shall be~~
12 ~~retained by the register of deeds and retain fifty cents to be placed in~~
13 ~~the county general fund and shall remit the balance to the State~~
14 ~~Treasurer who shall credit ninety-five cents of such amount to the~~
15 ~~Affordable Housing Trust Fund, twenty-five cents of such amount to the~~
16 ~~Site and Building Development Fund, twenty-five cents of such amount to~~
17 ~~the Homeless Shelter Assistance Trust Fund, and thirty cents of such~~
18 ~~amount to the Behavioral Health Services Fund.~~

19 **Sec. 6.** Section 81-12,146, Reissue Revised Statutes of Nebraska, is
20 amended to read:

21 81-12,146 (1) The Site and Building Development Fund is created. The
22 fund ~~shall receive money pursuant to section 76-903 and~~ may include
23 revenue from transfers by the Legislature, grants, private contributions,
24 repayment of loans, and all other sources. The Department of Economic
25 Development, as part of its comprehensive business development strategy,
26 shall administer the fund. Transfers may be made from the fund to the
27 General Fund at the direction of the Legislature. Any money in the Site
28 and Building Development Fund available for investment shall be invested
29 by the state investment officer pursuant to the Nebraska Capital
30 Expansion Act and the Nebraska State Funds Investment Act.

31 (2) It is the intent of the Legislature to transfer five million

1 dollars from the General Fund to the Site and Building Development Fund
2 for fiscal year 2022-23 and five million dollars from the General Fund to
3 the Site and Building Development Fund for fiscal year 2023-24. Such
4 money shall be placed in a subaccount of the Site and Building
5 Development Fund and earmarked for use to fund large shovel-ready
6 commercial and industrial sites developed under the Municipal Inland Port
7 Authority Act.

8 (3)(a) It is the intent of the Legislature to appropriate five
9 hundred thousand dollars from the Site and Building Development Fund for
10 fiscal year 2024-25 to the department to enter into one or more contracts
11 to conduct a comprehensive study or studies to identify and evaluate
12 large commercial and industrial sites in Nebraska that have the potential
13 to attract major investment and employment opportunities. The study shall
14 include consideration of super sites that encompass between five hundred
15 and one thousand acres and mega sites that encompass more than one
16 thousand acres. At least one proposed site shall be located west of the
17 one hundredth meridian in Nebraska. The contracts shall be awarded based
18 on a competitive selection process as determined by the department. The
19 studies shall be completed no later than December 15, 2024.

20 (b) The study shall assess the potential geographic locations; the
21 infrastructure assets that would be required for each site, including
22 highway, rail, and air transportation, and utilities such as water,
23 wastewater treatment, electrical power, and natural gas; the population
24 within fifty miles of each site and whether such population would be
25 sufficient to provide an adequate workforce for such site; and the
26 appropriate level of state investment necessary to position Nebraska as a
27 nationally or globally competitive location for site selection targeting
28 various sectors, including, but not limited to, advanced manufacturing,
29 trade, bioscience, agribusiness, warehousing and supply chain logistics,
30 technology, aerospace, automotive, clean energy, military support, and
31 life sciences. Such identified state investment levels may include, but

1 are not limited to, land acquisition costs and infrastructure
2 investments. The purpose of the study is to provide strategic insights
3 that will enable the state to attract major investment and employment
4 opportunities in order to support the growth of transformational
5 industries within Nebraska.

6 (c) The Director of Economic Development shall appoint an advisory
7 committee comprised of representatives of Nebraska economic development
8 organizations, equally representing each of Nebraska's three
9 congressional districts, to assist the department in identifying the
10 location of potential and preferred super sites and mega sites.

11 **Sec. 7.** This act becomes operative on October 1, 2025.

12 **Sec. 8.** Original sections 58-711, 68-1604, 76-903, and 81-12,146,
13 Reissue Revised Statutes of Nebraska, and sections 58-703 and 71-812,
14 Revised Statutes Cumulative Supplement, 2024, are repealed.