

E AND R AMENDMENTS TO LB 840

Introduced by Ballard, 21, Chairman Enrollment and Review

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

3 Section 1. Sections 1 to 5 of this act shall be known and may be
4 cited as the Poverty Elimination Action Plan Act.

5 Sec. 2. The Legislature finds that there is a need to address the
6 problem of poverty in high-poverty areas, qualified census tracts, and
7 economic redevelopment areas in the state. The purpose of the Poverty
8 Elimination Action Plan Act is to create a comprehensive, statewide
9 poverty elimination action plan to address the specific poverty
10 challenges faced in such areas and tracts and promote upward mobility and
11 sustainability.

12 Sec. 3. For purposes of the Poverty Elimination Action Plan Act:

13 (1) City means any city of the metropolitan class or city of the
14 primary class;

15 (2) Economic redevelopment area means an area in the State of
16 Nebraska in which:

17 (a) The average rate of unemployment in the area during the period
18 covered by the most recent federal decennial census or American Community
19 Survey 5-Year Estimate by the United States Bureau of the Census is at
20 least one hundred fifty percent of the average rate of unemployment in
21 the state during the same period; and

22 (b) The average poverty rate in the area is twenty percent or more
23 for the federal census tract in the area;

24 (3) High-poverty area means an area consisting of one or more
25 contiguous census tracts, as determined by the most recent federal
26 decennial census, which contain a percentage of persons with incomes
27 below the poverty line of greater than thirty percent, and all census

1 tracts contiguous to such tract or tracts, as determined by the most
2 recent federal decennial census; and

3 (4) Qualified census tract means a qualified census tract as defined
4 in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on January 1,
5 2024.

6 Sec. 4. (1) No later than July 1, 2025, each city shall establish
7 and adopt a five-year poverty elimination action plan. The city shall
8 electronically submit a copy of the plan to the Urban Affairs Committee
9 of the Legislature and the Clerk of the Legislature. The plan shall
10 include, but not be limited to:

11 (a) Goals for poverty elimination in high-poverty areas, qualified
12 census tracts, and economic redevelopment areas; and

13 (b) Plans for the use of federal, state, and local incentives to
14 eliminate poverty in high-poverty areas, qualified census tracts, and
15 economic redevelopment areas.

16 (2) Each city shall reevaluate its poverty elimination action plan
17 every two years and update its plan every five years to ensure its
18 effectiveness and relevance. Updated plans shall be electronically
19 submitted by the city to the Urban Affairs Committee of the Legislature
20 and the Clerk of the Legislature.

21 Sec. 5. (1) On or before July 1, 2025, and on or before July 1 of
22 each odd-numbered year thereafter, each city shall electronically submit
23 a report to the Urban Affairs Committee of the Legislature detailing its
24 efforts to eliminate poverty. The report shall encompass the following
25 key components:

26 (a) Needs Assessment. Conducting a comprehensive needs assessment to
27 identify challenges in housing, education, health care, employment,
28 access to capital, economic development, and social services in target
29 areas;

30 (b) Community Engagement. Involving residents, community
31 organizations, and stakeholders in the planning process to ensure

1 community input;

2 (c) Data Analysis. Utilizing data and research to understand root
3 causes of poverty and measure the impact of interventions;

4 (d) Education and Job Training. Developing accessible education and
5 job training programs in sectors with growth potential;

6 (e) Affordable Housing. Implementing strategies to increase
7 affordable housing options, address homelessness, and promote home
8 ownership;

9 (f) Health Care Access. Improving access to quality health care
10 services, including mental health and substance abuse treatment;

11 (g) Economic Development. Attracting investments to stimulate local
12 business growth and job creation;

13 (h) Transportation and Infrastructure. Investing in transportation
14 options and infrastructure improvements;

15 (i) Social Services. Expanding access to social services such as
16 child care, food assistance, and counseling;

17 (j) Equity and Inclusion. Promoting equity and inclusivity, and
18 addressing disparities based on race, gender, and other factors;

19 (k) Accountability and Evaluation. Establishing metrics for progress
20 tracking and regular evaluations;

21 (l) Funding and Resources. Securing funding from various sources,
22 including government grants and private investments;

23 (m) Long-Term Sustainability. Developing a sustainability plan to
24 maintain improvements;

25 (n) Coordination and Collaboration. Fostering collaboration among
26 government agencies, nonprofit organizations, and businesses; and

27 (o) Public Awareness. Promoting awareness of the city's efforts,
28 goals, and progress through communication and outreach efforts.

29 (2) The Urban Affairs Committee of the Legislature may request any
30 city to present its report to the committee at a public hearing.

31 Sec. 6. Section 71-1572, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 71-1572 Sections 71-1572 to 71-15,168 and sections 12 and 13 of this
3 act shall be known and may be cited as the Nebraska Housing Agency Act.

4 Sec. 7. Section 71-1594, Reissue Revised Statutes of Nebraska, is
5 amended to read:

6 71-1594 (1) When the governing body of any city or county, as the
7 case may be, has determined by resolution or ordinance as set forth in
8 section 71-1578 that it is expedient to establish a local housing agency:

9 (a) In the case of cities other than cities of the metropolitan
10 class, the chief elected official of such city shall appoint at least
11 five and not more than seven adult persons;

12 (b) In the case of cities of the metropolitan class, the chief
13 elected official of such city shall appoint nine ~~seven~~ adult persons; and

14 (c) In the case of counties, the county board shall appoint at least
15 five and not more than seven adult persons.

16 (2) All such persons shall be residents of the area of operation of
17 the agency. If the selection of one or more a resident commissioners
18 ~~commissioner~~ is required under section 71-15,104, any such persons ~~then~~
19 ~~at least one such person~~ shall be a resident commissioners ~~commissioner~~
20 selected as provided in such section. Such persons so appointed shall
21 constitute the governing body of the local housing agency and shall be
22 called commissioners.

23 Sec. 8. Section 71-1598, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 71-1598 (1) Except as provided in subsection (2) of this section:

26 (a) In the case of local housing agencies, the commissioners who are
27 first appointed shall be designated to serve for terms of one, two,
28 three, four, and five years, respectively, from the date of their
29 appointment, but thereafter commissioners shall be appointed for terms of
30 five years; and -

31 (b) In the case of housing agencies when the appointing authority

1 has elected to have more than five commissioners as provided in section
2 71-1594 or has elected to add one or two commissioners to a presently
3 existing housing agency, the sixth commissioner who is first appointed
4 shall be designated to serve for a term of four years and the additional
5 commissioners who are first appointed shall be designated to serve for
6 terms of five years from the date of appointment. Thereafter ~~, but~~
7 ~~thereafter~~ the commissioners shall be appointed for terms of five years.

8 (2) All commissioners of a local housing agency for a city of the
9 metropolitan class who are appointed on and after the effective date of
10 this act shall serve for terms of four years.

11 Sec. 9. Section 71-15,101, Reissue Revised Statutes of Nebraska, is
12 amended to read:

13 71-15,101 (1) Every commissioner shall be a resident of the area of
14 operation of the housing agency which he or she has been appointed to
15 serve. However, if after appointment a commissioner ceases to reside in
16 the local housing agency's area of operation, his or her term of office
17 shall automatically terminate and a successor shall be appointed to fill
18 such vacancy in the manner provided in sections 71-1594 to 71-15,105. Any
19 commissioner who ceases to reside within the area of operation of the
20 local housing agency in which such commissioner serves shall immediately
21 so inform the board of commissioners of the agency and the appointing
22 authority of his or her change in residence.

23 (2) No person who has been convicted of a felony shall be eligible
24 for appointment or service as a commissioner.

25 (3) No person who is an officer or employee of a city of the
26 metropolitan class that established the housing agency shall be eligible
27 for appointment or service as a commissioner, except that any such
28 officer or employee may be appointed and serve as a commissioner
29 beginning four years after termination of service as an officer or
30 employee of such city.

31 (4) Any commissioner of a local housing agency for a city of the

1 metropolitan class shall, at the expense of the local housing agency,
2 attain a commissioner's certification from the National Association of
3 Housing and Redevelopment Officials, or equivalent certification from a
4 nationally recognized professional association in the housing and
5 redevelopment field as determined by the local housing agency, within
6 twelve months after the date of appointment or by December 31, 2019,
7 whichever is later, or shall be deemed to have resigned his or her
8 position effective at the end of that time.

9 Sec. 10. Section 71-15,104, Reissue Revised Statutes of Nebraska, is
10 amended to read:

11 71-15,104 (1)(a) Except as provided in subsection (4) of this
12 section, each ~~(1) Each~~ housing agency created under the Nebraska Housing
13 Agency Act shall include among the commissioners constituting the
14 governing body of such local housing agency at least one commissioner who
15 shall be known as a resident commissioner.

16 (b) For purposes of this section, resident commissioner means a
17 member of the governing board of a local housing agency whose eligibility
18 for membership is based upon such person's status as a recipient of
19 direct assistance from the agency except as otherwise provided in this
20 section.

21 (2) No later than thirty days after any vacancy in the office of a
22 resident commissioner, the local housing agency shall notify any resident
23 advisory board or other resident organization and all adult persons
24 directly assisted by such agency to the effect that the position of
25 resident commissioner is open and that if any such person is interested
26 in being considered as a candidate for the position, such person should
27 notify the local housing agency within thirty days of the person's
28 willingness to be considered and to serve in the position.

29 (3) For a housing agency other than a housing agency established by
30 a city of the metropolitan class, the ~~The~~ resident commissioner shall be
31 selected, either by an election or by appointment, as follows:

1 (a) The housing agency may hold an election, allowing each adult
2 direct recipient of its assistance to vote by secret written ballot, at
3 such time and place, or through the mail, as such agency may choose, all
4 to be conducted within thirty days after the receipt of names of
5 candidates as provided in subsection (2) of this section. The candidate
6 receiving the most votes shall serve as resident commissioner;

7 (b) If the housing agency decides not to hold an election, the names
8 of all persons interested who have notified the housing agency of their
9 interest in so serving shall be forwarded to the mayor or to the county
10 board, as the case may be, and the resident commissioner shall be
11 appointed from the list of names, as provided in section 71-1594, subject
12 to confirmation as provided in section 71-1596. In the case of a regional
13 housing agency, the regional board of commissioners shall make such an
14 appointment from among the persons interested in such position; and

15 (c) If no qualified person has submitted to the local housing agency
16 his or her name as a candidate for the position, then the mayor, county
17 board, or regional housing agency, as the case may be, shall fill the
18 position from among all adult persons receiving direct assistance from
19 the agency subject to confirmation, in the case of cities and counties,
20 pursuant to section 71-1596. If a local housing agency owns fewer than
21 three hundred low-income housing units which, for purposes of this
22 subdivision, does not include units of housing occupied by persons
23 assisted under any rental assistance program and the housing agency has
24 received no notification of interest in serving as a resident
25 commissioner as provided in this section, no resident commissioner shall
26 be required to be selected.

27 (4)(a) For a housing agency established by a city of the
28 metropolitan class, three resident commissioners shall be selected by
29 appointment. The mayor shall fill the positions from among all adult
30 persons receiving direct assistance from the agency subject to
31 confirmation pursuant to section 71-1596. Two of the persons appointed

1 pursuant to this subsection shall be appointed from districts of the
2 Legislature with the most public housing properties where the agency is
3 the primary landlord. If the local housing agency owns fewer than three
4 hundred low-income housing units which, for purposes of this subdivision,
5 does not include units of housing occupied by persons assisted under any
6 rental assistance program, and if the housing agency has received no
7 notification of interest in serving as a resident commissioner, no
8 resident commissioner shall be required to be selected.

9 (b) A resident commissioner of the housing authority who is required
10 by this section to be a recipient of direct assistance of the housing
11 agency:

12 (i) Shall not be construed to have a direct or indirect interest in
13 (A) any housing agency project, (B) any property that is or will be
14 included in any such project, or (C) any housing agency contract for
15 materials or services; and

16 (ii) Who ceases to meet such requirement shall forfeit his or her
17 resident commissioner office. If a resident commissioner forfeits his or
18 her office, a successor shall be appointed by the mayor pursuant to this
19 subsection and section 71-1599. The successor shall serve for the
20 remainder of the term.

21 Sec. 11. Section 71-15,106, Reissue Revised Statutes of Nebraska, is
22 amended to read:

23 71-15,106 (1)(a) The commissioners of each housing agency shall
24 elect a chairperson and vice-chairperson from among the commissioners and
25 shall have power to employ an executive director who shall serve as ex
26 officio secretary of the local housing agency.

27 (b) ~~Each~~ The agency may also employ legal counsel or engage the
28 attorney of the city or county served by the agency for such legal
29 services as the agency may require unless such employment or engagement
30 will result in an ethical or legal violation. ~~Each~~ The agency may employ
31 accountants, appraisers, technical experts, and such other officers,

1 agents, and employees as the agency may require and shall determine their
2 qualifications, duties, compensation, and terms of office. A local
3 housing agency may delegate to one or more of its agents or employees
4 such powers and duties as it may deem proper.

5 (2) All contact information for agency staff and commissioners shall
6 be publicly available at the agency's offices and on the agency's
7 website. Such contact information shall include telephone numbers and
8 email addresses, if available.

9 (3) Prior to any agency board meeting, all meeting notices and
10 agendas shall be posted in common spaces at all agency public locations.
11 Prior notice of any board meeting shall also be made available at the
12 agency's offices and on the agency's website. Opportunity for public
13 comment shall be made at all board meetings, and such public comment
14 shall not be limited to agenda items only.

15 (4) All commissioners of a local housing agency in a city of the
16 metropolitan class shall hold at least one public meeting at any multi-
17 family housing residence or housing complex where the housing agency is
18 the primary landlord each month to discuss relevant current events and
19 agency updates. The agency shall also send a newsletter with updates by
20 email or regular first-class mail to all residents in (a) any multi-
21 family residence or housing complex where the agency is the primary
22 landlord, (b) all apartments, and (c) all other agency properties.

23 Sec. 12. (1) A housing agency for a city of the metropolitan class
24 shall establish a complaint process whereby any resident of an agency
25 property may file a complaint through multiple accessible channels
26 including:

27 (a) An online complaint form available on the housing agency's
28 website;

29 (b) A call from a toll-free hotline; and

30 (c) An in-person complaint form available at designated offices.

31 (2) The complaint form shall require the following information:

1 (a) The name of the complainant;

2 (b) Contact information including telephone number, email address,
3 and mailing address of the complainant;

4 (c) The nature of the complaint, including, but not limited to,
5 whether a maintenance issue, a discrimination claim, or a rent dispute;

6 (d) Relevant dates and any supporting documentation, including, but
7 not limited to, photographs or digital images, receipts, and
8 correspondence; and

9 (e) Notice of the right to file a complaint up until the time of an
10 eviction.

11 (3) Upon receipt of the complaint, the agency shall send an
12 acknowledgment to the complainant by email or regular first-class mail
13 within five business days. Each complaint shall be assigned a unique case
14 number for tracking purposes.

15 (4) The agency shall conduct a thorough investigation of the
16 complaint, including, but not limited to, interviewing relevant parties,
17 inspecting property and relevant documents, and reviewing applicable laws
18 and regulations.

19 (5) The housing authority shall resolve the complaint within
20 fourteen days after receipt of the complaint. If additional time is
21 required, the complainant shall be informed of the delay and provided
22 with an updated timeline. Throughout the investigation, the agency shall
23 provide the complainant with regular updates on the status of the
24 complaint by email, telephone, or regular first-class mail.

25 (6) The agency shall notify the complainant of the resolution of the
26 complaint in writing within five business days after such resolution. The
27 notice shall include a summary of the investigation findings, the action
28 taken to address the complaint, any remedies or compensation provided,
29 and information on how to file a complaint with the relevant political
30 subdivision responsible for code enforcement, if applicable to such
31 complaint.

1 (7) The agency shall invite the complainant to provide feedback on
2 the complainant's experience with the complaint process, including
3 suggestions for improvement. If the complainant is not satisfied with the
4 resolution of the complaint, the complainant shall have the right to
5 appeal the decision within seven days after receipt of the notification.

6 (8) An independent review panel consisting of a legal expert, a
7 community representative, and a mediator or arbitrator shall review the
8 appeal and make a final determination within fourteen days after receipt
9 of the appeal. The legal expert shall have experience in landlord-tenant
10 law, housing regulations, and dispute resolution. The community
11 representative shall be a community leader or housing advocate who has a
12 thorough understanding of the local housing environment and the needs of
13 the resident populations. The mediator or arbitrator shall be a trained
14 mediator or arbitrator with expertise in alternative dispute resolution.

15 (9) The agency shall notify the complainant in writing of the final
16 decision on the appeal, including any further actions or remedies
17 available to the complainant, within five business days after such final
18 decision is made. The agency shall conduct followup activities to ensure
19 that the resolution of the complaint has been implemented effectively.

20 (10) The agency shall monitor complaint trends, analyze root causes,
21 and report on complaint resolution statistics regularly to identify areas
22 for improvement. The agency shall submit a report to the commissioners at
23 every board meeting detailing (a) the number of complaints filed, (b) the
24 status of inspections pending, completed, and uncompleted, and (c) the
25 number of unfilled inspector positions within the housing agency. The
26 report shall also be made available to the public on the agency's website
27 and at the agency's office.

28 (11) The agency shall inform persons applying for housing about the
29 complaint process during the resident application process and inform
30 residents about the complaint process (a) annually, (b) at the time a
31 complaint is filed, and (c) by posting on the agency's website and on any

1 public boards in any common housing spaces.

2 Sec. 13. A housing agency for a city of the metropolitan class
3 shall establish and implement an administrative grievance procedure as
4 prescribed under 42 U.S.C. 1437d(k). Such procedure shall be clearly
5 explained on the agency's website. For purposes of this subsection, an
6 adverse public housing agency action means any action taken by a public
7 housing agency that negatively impacts an individual or a household
8 participating in a public housing program or a housing choice voucher
9 program. Such actions include:

10 (1) Denial of admission to a public housing program or a housing
11 choice voucher program;

12 (2) Termination of assistance or eviction from a public housing
13 program or a housing choice voucher program;

14 (3) Reduction of assistance or a change in the terms of assistance
15 that adversely affects the individual or household; or

16 (4) A change in rent or other increased cost, or any other action by
17 the agency that adversely affects the individual or household's rights or
18 benefits under a public housing program or a housing choice voucher
19 program.

20 Sec. 14. Section 71-15,139, Reissue Revised Statutes of Nebraska, is
21 amended to read:

22 71-15,139 (1) A housing agency may adopt and promulgate reasonable
23 rules and regulations consistent with federal and state laws, rules, and
24 regulations and the purposes of the Nebraska Housing Agency Act
25 concerning the termination of tenancy.

26 (2)(a) If a housing agency seeks to terminate a resident's tenancy,
27 the housing agency shall serve Any resident so terminated shall be sent a
28 written notice of termination on such resident setting out the reasons
29 for such termination.

30 (b) If the premises is located in a city of the metropolitan class,
31 the notice shall contain a statement in substantially the following form:

1 "You have the right to representation by an attorney. This right applies
2 to eviction proceedings before a court and in any hearing to contest
3 termination of your tenancy before the [name of housing agency]. An
4 attorney will be appointed to represent you, at no cost to you, at the
5 beginning of such proceedings or hearing." ~~and any~~

6 (c) The resident ~~served with a notice~~ shall be given the opportunity
7 to contest the termination in an appropriate hearing by the housing
8 agency. A resident may contest the termination in any suit filed by the
9 housing agency in any court for recovery of possession of the premises.

10 (3) ~~(2)~~ Such notice may provide that if the resident fails to (a)
11 pay his or her rent or comply with any covenant or condition of his or
12 her lease or the rules and regulations of such housing agency, (b) cure a
13 violation or default thereof as specified in such notice, or (c) follow
14 the procedure for a hearing as set forth in the notice, all within the
15 time or times set forth in such notice, the tenancy shall then be
16 automatically terminated and no other notice or notices need be given of
17 such termination or the intent to terminate the tenancy, and upon such
18 termination, and without any notice other than as provided for in this
19 section, a housing agency may file suit against any resident for recovery
20 of possession of the premises and may recover the same as provided by
21 law.

22 (4) ~~(3)~~ A housing agency may, after three days' written notice of
23 termination and without an administrative hearing, file suit and have
24 judgment against any resident for recovery of possession of the premises
25 if the resident, any member of the resident's household, any guest, or
26 any other person who is under the resident's control or who is present
27 upon the premises with the resident's consent, engages in any drug-
28 related or violent criminal activity on the premises, or engages in any
29 activity that threatens the health, safety, or peaceful enjoyment of
30 other residents or housing agency employees. Such activity shall include,
31 but not be limited to, any of the following activities of the resident,

1 or the activities of any other person on the premises with the consent of
2 the resident: (a) Physical assault or the threat of physical assault; (b)
3 illegal use of a firearm or other weapon or the threat to use an illegal
4 firearm or other weapon; or (c) possession of a controlled substance by
5 the resident or any other person on the premises with the consent of the
6 resident if the resident knew or should have known of the possession by
7 such other person of a controlled substance, unless such controlled
8 substance was obtained directly from or pursuant to a medical order
9 issued by a practitioner authorized to prescribe as defined in section
10 28-401 while acting in the course of his or her professional practice.

11 (5)(a) This subsection only applies if the premises is located in a
12 city of the metropolitan class.

13 (b) If the resident requests a hearing by the housing agency to
14 contest the termination, counsel shall be appointed for the resident
15 prior to such hearing unless the resident is already represented by
16 counsel. The housing agency shall file an application with the county
17 court or district court of the county in which the premises is located.
18 The court shall appoint counsel to represent the resident in the hearing
19 and in any related action for recovery of possession of the premises.

20 (c) If the resident does not request a hearing by the housing agency
21 to contest the termination and the housing agency files an action for
22 recovery of possession of the premises, the court shall appoint counsel
23 for the resident unless the resident is already represented by counsel.

24 (d) The resident may waive court-appointed counsel or retain the
25 resident's own counsel. The cost of any court-appointed counsel shall be
26 paid by the housing agency.

27 (e) Counsel appointed pursuant to this section shall apply to the
28 court before which the proceedings were had for fees for services
29 performed.

30 (f) In the case of a hearing to contest a termination for which
31 there are no related court proceedings, counsel shall apply to the county

1 court or district court of the county in which the premises is located.

2 (g) The court, upon hearing the application, shall fix reasonable
3 fees. The housing agency shall allow the account, bill, or claim
4 presented by any attorney for such services in the amount determined by
5 the court. No such account, bill, or claim shall be allowed by the
6 housing agency until the amount has been determined by the court.

7 (h) A housing agency shall not assess a fee against any resident for
8 legal services provided under this subsection or otherwise attempt to
9 recoup such costs from such resident.

10 Sec. 15. Section 71-15,150, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 71-15,150 (1) Except as otherwise permitted under the provisions of
13 sections 71-15,149 to 71-15,157, no housing agency official shall own or
14 hold an interest in any contract or property or engage in any business,
15 transaction, or professional or personal activity that would:

16 (a) Be or appear to be in conflict with such official's duties
17 relating to the housing agency served by or subject to the authority of
18 such official;

19 (b) Secure or appear to secure unwarranted privileges or advantages
20 for such official or others; or

21 (c) Prejudice or appear to prejudice such official's independence of
22 judgment in the exercise of his or her official duties relating to the
23 housing agency served by or subject to the authority of such official.

24 (2) No housing agency official shall act in an official capacity in
25 any matter in which such official has a direct or indirect financial or
26 personal involvement. ~~The ownership of less than five percent of the~~
27 ~~outstanding shares of a corporation shall not constitute an interest~~
28 ~~within the meaning of this section.~~ No housing agency official shall use
29 his or her public office or employment to secure financial gain to such
30 official.

31 (3) Except as otherwise permitted by the provisions of sections

1 71-15,149 to 71-15,157, a housing agency shall not, with respect to any
2 housing agency official, during his or her tenure or for a period of one
3 year thereafter, either:

4 (a) Award or agree to award any contract to such housing agency
5 official or other local government official;

6 (b) Purchase or agree to purchase any real property from such
7 housing agency official or other local government official, or sell or
8 agree to sell any real property to such housing agency official or other
9 local government official;

10 (c) Permit any housing agency official to represent, appear, or
11 negotiate on behalf of any other party before the housing agency's board
12 of commissioners or with its other officials or employees;

13 (d) Employ any commissioner for compensation or otherwise;

14 (e) Employ any local government official, or any member of such
15 official's immediate family, if such official's duties involve the
16 exercise of authority relating to the housing agency; or

17 (f) Employ for compensation any member of the immediate family of a
18 housing agency official, if such employment creates the relationship of
19 direct supervisor or subordinate between family members or otherwise
20 creates a real or apparent conflict of interest.

21 (4) No commissioner of a housing agency for a city of the
22 metropolitan class shall have an ownership interest in, or be employed
23 by, any entity doing business with such housing agency.

24 Sec. 16. Section 71-15,157, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 71-15,157 (1) Nothing contained in sections 71-15,149 to 71-15,157
27 shall prohibit a housing agency of a city of the second class or of a
28 village from purchasing or otherwise acquiring any goods or services from
29 a provider of such goods or services owned in whole or in part by a
30 housing agency official if (a) the provider is the sole source for the
31 goods or services within the area of operation of the housing agency, (b)

1 the cost of the goods or services does not exceed three thousand dollars
2 in any one instance, or (c) the provider has not received more than ten
3 thousand dollars from the housing agency in any one calendar year.

4 (2) Nothing contained in sections 71-15,149 to 71-15,157 shall
5 prohibit a housing agency from entering into and performing contracts,
6 agreements, and arrangements with any nonprofit entity or any affiliate,
7 whether for-profit or nonprofit in character, notwithstanding that some
8 or all of the housing agency's representatives or public officials or
9 legislators who exercise functions or responsibilities with respect to a
10 housing agency's developments also serve as directors or in other
11 policymaking positions in such nonprofit entity or affiliate. Such
12 service by housing agency representatives, public officials, or
13 legislators is expressly permitted under the Nebraska Housing Agency Act.

14 (3) The provisions of sections 71-15,149 to 71-15,157 shall not
15 apply to any general depositary agreement entered into with a bank or
16 other financial institution regulated by the federal government or to
17 utility service for which rates are fixed by a state or local agency. The
18 provisions of sections 71-15,149 to 71-15,157 shall not apply to prohibit
19 any present or former tenant commissioner from acting upon housing agency
20 business affecting residents unless such business directly involves a
21 resident organization with respect to which such commissioner occupies a
22 policymaking position or serves as a member of the governing board.

23 (4) Except as provided in subsection (3) of section 71-15,101,
24 nothing ~~Nothing~~ contained in sections 71-15,149 to 71-15,157 shall
25 prohibit service as a commissioner by the chief elected official or any
26 member of the governing body of any city, county, or other public agency
27 which is served by a housing agency.

28 Sec. 17. Section 81-1237, Revised Statutes Supplement, 2023, is
29 amended to read:

30 81-1237 For purposes of the Middle Income Workforce Housing
31 Investment Act:

1 (1) Department means the Department of Economic Development;

2 (2) Director means the Director of Economic Development;

3 (3) Eligible activities of a workforce housing investment fund
4 means:

5 (a) New construction of owner-occupied housing in a neighborhood and
6 community with a demonstrated need for housing that is affordable and
7 attractive to first-time homebuyers, middle-income families, and the
8 emerging workforce;

9 (b) Substantial repair or rehabilitation of dilapidated housing
10 stock; or

11 (c) Upper-story housing development for occupation by a homeowner;

12 (4) HOME funds means funds awarded as formula grants under the HOME
13 Investment Partnerships Program administered by the United States
14 Department of Housing and Urban Development;

15 (5) Matching funds means dollars contributed by individuals,
16 businesses, foundations, local and regional political subdivisions, or
17 other nonprofit organizations to a workforce housing investment fund
18 administered by a nonprofit development organization;

19 (6) Nonprofit development organization means a regional or statewide
20 nonprofit development organization approved by the director;

21 (7) Qualified activities include purchase guarantees, loan
22 guarantees, loan participations, and other credit enhancements related to
23 eligible activities of the workforce housing investment fund;

24 (8) Qualified investment means a cash investment in a workforce
25 housing investment fund administered by a nonprofit development
26 organization;

27 (9) Urban community means any area that is:

28 (a)(i) ~~(a)~~ In a county with a population greater than one hundred
29 thousand inhabitants as determined by the most recent federal decennial
30 census; and

31 (ii) ~~(b)(i)~~ Within or adjacent to a qualified census tract as

1 described in 26 U.S.C. 42(d)(5)(B), as such section existed on January 1,
2 2022; ~~or~~

3 (b) (ii) Within a city of the primary class or within a county in
4 which a city of the primary class is located; or

5 (c) In a county with a population greater than one hundred thousand
6 inhabitants as determined by the most recent federal decennial census
7 that does not contain a city of the metropolitan class or a city of the
8 primary class;

9 (10) Workforce housing means:

10 (a) Owner-occupied housing units that cost not more than three
11 hundred thirty thousand dollars to construct. For purposes of this
12 subdivision, housing unit costs shall be updated annually by the
13 department based upon the most recent increase or decrease in the
14 Producer Price Index for all commodities, published by the United States
15 Department of Labor, Bureau of Labor Statistics;

16 (b) Owner-occupied housing units for which the cost to substantially
17 rehabilitate such units exceeds fifty percent of a unit's before-
18 construction assessed value, and the after-construction appraised value
19 of the building alone is at least one hundred twenty-five thousand
20 dollars but not more than two hundred seventy-five thousand dollars. For
21 purposes of this subdivision, housing unit after-construction appraised
22 value shall be updated annually by the department based upon the most
23 recent increase or decrease in the Producer Price Index for all
24 commodities, published by the United States Department of Labor, Bureau
25 of Labor Statistics;

26 (c) Upper-story housing for occupation by a homeowner; and

27 (d) Housing that does not receive federal or state low-income
28 housing tax credits, community development block grants, HOME funds, or
29 funds from the Affordable Housing Trust Fund; and

30 (11) Workforce housing investment fund means a fund that has been
31 created by a nonprofit development organization and certified by the

1 director to encourage development of workforce housing in urban
2 communities.

3 Sec. 18. Section 81-1238, Revised Statutes Supplement, 2023, is
4 amended to read:

5 81-1238 (1) The director shall establish a workforce housing
6 investment grant program to foster and support the development of
7 workforce housing in urban communities.

8 (2) A nonprofit development organization may apply to the director
9 for approval of a workforce housing grant for a workforce housing
10 investment fund. The application shall be in a form and manner prescribed
11 by the director. Through fiscal year 2026-27, grants shall be awarded by
12 the director on a competitive basis until grant funds are no longer
13 available. Grant maximums shall not exceed ten five million dollars to
14 any one nonprofit development organization over a two-year period, with
15 the cumulative amount for any single grantee to be determined by the
16 department at the discretion of the director. An applicant shall provide
17 matching funds for ~~of at least one-half of the amount of~~ workforce
18 housing grant funds awarded. For grant funds awarded before the effective
19 date of this act, an applicant shall provide matching funds of at least
20 fifty percent of the amount of such grant funds awarded. For grant funds
21 awarded on or after the effective date of this act, an applicant shall
22 provide matching funds of a least twenty-five percent of the amount of
23 such grant funds awarded. Unallocated funds held by the department shall
24 be rolled to the next program year.

25 (3) Grants shall be awarded based upon:

26 (a) A demonstrated need for additional owner-occupied housing. Need
27 can be demonstrated with a recent housing study or a letter from the
28 planning department of the city in which the fund is intending to operate
29 stating that the proposal is in line with the city's most recent
30 consolidated plan submitted under 24 C.F.R. part 91, subpart D, as such
31 subpart existed on January 1, 2020;

1 (b) A neighborhood or community that has a higher-than-state-average
2 unemployment rate;

3 (c) A neighborhood or community that exhibits a demonstrated
4 commitment to growing its housing stock;

5 (d) Reducing barriers to the development and purchase of owner-
6 occupied housing with flexible forms of assistance, including grants,
7 forgivable loans, and other forms of long-term, patient financing;

8 (e) Projects that can reasonably be ready for occupancy in a period
9 of twenty-four months; and

10 (f) A demonstrated ability to grow and manage a workforce housing
11 investment fund.

12 (4) A workforce housing investment fund shall:

13 (a) Be required to receive annual certification from the department;

14 (b) Invest or intend to invest in eligible activities for a
15 workforce housing investment fund;

16 (c) Use any fees, interest, loan repayments, or other funds received
17 by the nonprofit development organization as a result of the
18 administration of the grant to support qualified activities; and

19 (d) Have an active board of directors with expertise in development,
20 construction, and finance that meets at least quarterly to approve all
21 qualified investments made by the nonprofit development organization. A
22 nonprofit development organization shall have a formal plan and proven
23 expertise to invest unused workforce housing investment fund balances and
24 shall conduct an annual audit of all financial records by an independent
25 certified public accountant.

26 (5) A nonprofit development organization that has previously
27 received a grant or grants under the Middle Income Workforce Housing
28 Investment Act shall not be eligible for an additional grant under this
29 section unless the organization has expended at least fifty percent of
30 the funds from such previous grant or grants.

31 Sec. 19. Original sections 71-1572, 71-1594, 71-1598, 71-15,101,

1 71-15,104, 71-15,106, 71-15,139, 71-15,150, and 71-15,157, Reissue
2 Revised Statutes of Nebraska, and sections 81-1237 and 81-1238, Revised
3 Statutes Supplement, 2023, are repealed.

4 2. On page 1, strike beginning with "cities" in line 1 through line
5 2 and insert "cities; to amend sections 71-1572, 71-1594, 71-1598,
6 71-15,101, 71-15,104, 71-15,106, 71-15,139, 71-15,150, and 71-15,157,
7 Reissue Revised Statutes of Nebraska, and sections 81-1237 and 81-1238,
8 Revised Statutes Supplement, 2023; to adopt the Poverty Elimination
9 Action Plan Act; to change provisions of the Nebraska Housing Agency Act
10 relating to commissioners, meetings, complaints, administrative grievance
11 procedures, notices and requests for hearing, and fees; to redefine a
12 term and change requirements for workforce housing grants under the
13 Middle Income Workforce Housing Investment Act; to harmonize provisions;
14 and to repeal the original sections."