2026 POLICY GUIDES

Affordable Housing

Issue

Affordable housing continues to be a major challenge for many rural Nebraska communities. In some areas, jobs are available, but communities struggle to attract and retain workers because there are not enough affordable homes, rental units, or move-in ready housing options.

Background

The 2026 Nebraska legislative session addressed affordable workforce housing by passing several major legislation bills designed to fund and overhaul the state's housing programs. Faced with housing and worker shortages, the Unicameral focused on structural overhauls and dedicated revenue streams.

LB 1067 established a permanent, ongoing funding stream for workforce housing. It increases the state documentary stamp tax by $1 per $1,000 of property value during real estate transactions and splits the revenue evenly between the Rural Workforce Housing Investment Fund and the Middle-Income Workforce Housing Investment Fund.

LB 768 and LB 819 shifted the administration of the state's major housing programs from the Department of Economic Development to the Nebraska Investment Finance Authority to streamline housing finance compliance. Furthermore, the package extends the sunset dates for both the Rural Workforce Housing and Middle-Income Workforce Housing grant programs out to fiscal year 2031-32 and adjusted maximum construction cost definitions to factor in inflation.

LB 803 created state-incentivized savings accounts allowing up to $5,000 for individuals and $10,000 for married couples annually to assist Nebraskans in entering the home-buying market.

Recognizing that more work remains, the Legislature also introduced interim studies to prepare for next year, including LR 460 to examine whether local residential building codes and development regulations are cost-prohibitive to workforce housing, and LR 454 to find alternate funding sources to combat the affordable housing shortage.

Farm Bureau Policy

RURAL ECONOMIC DEVELOPMENT (2023). We support a tax incentive for rural communities to help fund housing and daycare development. We also encourage the development of age-in-place facilities, i.e., senior duplexes, to open up larger family houses for younger families.

Questions

- Are Nebraska Farm Bureau's (NEFB) current policies on affordable rural housing adequate?
- Are the legislative changes made in the 2026 session sufficient for addressing this issue?
- Should NEFB revisit its policy on this matter to consider subjects such as building codes and other contributors to the unaffordability of housing?