

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 345

Final Reading

Introduced by Conrad, 46; Hadley, 37; Mello, 5.

Read first time January 12, 2011

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to economic development; to amend section 13-208,
2 Reissue Revised Statutes of Nebraska; to adopt the Small
3 Business Innovation Act; to reduce the tax credit limits
4 under the Community Development Assistance Act as
5 prescribed; to repeal the original section; and to
6 declare an emergency.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 8 of this act shall be known and
2 may be cited as the Small Business Innovation Act.

3 Sec. 2. It is the intent of the Legislature to evolve
4 Nebraska's economic development and job creation policies in order to
5 remain competitive by adopting recommendations from the statewide
6 strategic plan developed by the Innovation and Entrepreneurship Task
7 Force. The strategic plan recognizes that Nebraska's current policy
8 tools targeted to fostering high-wage job growth among small
9 businesses, entrepreneurs, and innovators have not kept pace with
10 other states and jurisdictions. Nebraska has a clear opportunity to
11 improve our entrepreneurial ecosystem by adopting proactive policy
12 solutions with demonstrated positive results.

13 Sec. 3. For purposes of the Small Business Innovation
14 Act:

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

17 (2) Nebraska-based growth business means a corporation,
18 partnership, limited liability company, limited partnership, or
19 limited liability partnership registered with the Secretary of State
20 that has five to fifty employees and annual sales revenue of no less
21 than five hundred thousand dollars and no more than two million five
22 hundred thousand dollars; and

23 (3) Small business innovation means the provision of
24 technical resources to locally owned and operated Nebraska-based
25 growth businesses to foster development, growth, and high-wage job

1 creation.

2 Sec. 4. The department may enter into a contract with a
3 Nebraska-based nonprofit entity, small business development center,
4 community development corporation, Nebraska-based institution of
5 higher education, chamber of commerce, or regional development
6 district for the purpose of carrying out the Small Business
7 Innovation Act.

8 Sec. 5. (1) The Legislature hereby establishes a
9 statewide pilot program to support and assist up to forty Nebraska-
10 based growth businesses. At least one-half of the businesses assisted
11 under the Small Business Innovation Act shall be located in counties
12 with a population of fewer than fifty thousand inhabitants.

13 (2) The pilot program shall provide technical assistance
14 to Nebraska-based growth businesses that includes:

15 (a) Economic gardening components and information tools,
16 including industry trends, industry financial data, state and
17 national demographic trends, competitive intelligence, and marketing
18 lists; and

19 (b) Decisionmaking tools, including strategy analysis,
20 management team makeup, capital referrals, and labor referrals.

21 Sec. 6. It is the intent of the Legislature to
22 appropriate two hundred thousand dollars from the General Fund for
23 FY2011-12 and two hundred thousand dollars from the General Fund for
24 FY2012-13 for the purpose of providing funding to carry out the Small
25 Business Innovation Act.

1 Sec. 7. The department shall prepare and present a report
2 to the Legislature by December 1, 2013, on the Small Business
3 Innovation Act that includes, but is not limited to, businesses
4 assisted, aggregate change in sales revenue, number of jobs created,
5 and range of newly created jobs that includes an average wage.

6 Sec. 8. The Small Business Innovation Act terminates on
7 December 31, 2013.

8 Sec. 9. Section 13-208, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 13-208 The total amount of tax credit granted for
11 programs approved and certified under the Community Development
12 Assistance Act by the department for any fiscal year shall not exceed
13 three hundred fifty thousand dollars, except that for fiscal years
14 2011-12 and 2012-13, the total amount of tax credit granted under
15 this section shall be reduced by two hundred thousand dollars.

16 Sec. 10. Original section 13-208, Reissue Revised
17 Statutes of Nebraska, is repealed.

18 Sec. 11. Since an emergency exists, this act takes effect
19 when passed and approved according to law.