

# **One Hundred Second Legislature - First Session - 2011**

## **Introducer's Statement of Intent**

### **LB387**

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**Chairperson: Senator Rich Pahls**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 07, 2011**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 387, introduced at the request of the Governor, is a part of the Governor's biennial budget recommendations. The bill's primary purpose is to create a new fund, using both new and existing resources to support research, innovation and development in Nebraska small businesses and public and private colleges and universities. The Department will produce an Annual Action Plan to outline program priorities which will ultimately be submitted to Governor for approval. The fund will provide financial assistance for the following activities:

- a. SBIR – Grants for Phases 0, 1 and 2. Total capped at \$1 million per year
- b. Prototyping Fund – capped at \$50,000 per project, total cap of \$1 million per year
- c. Commercialization and Support – capped at \$500,000 per project, total cap of \$2 million per year
- d. Industry-University Applied Research Grants – \$100,000 to \$400,000 per grant, total cap of \$3 million per year
- e. Microenterprise Development Organization Support – to be used for technical assistance and financial assistance – total cap at \$1 million per year

The Department will also allocate at least 40% of the funds to distressed areas of the state. Funding for the program will, in part, come from existing grant programs such as Heritage Nebraska's Main Street program, the Building Entrepreneurial Communities Act, Value-Added Agriculture program plus \$5.5 million dollars of new general funds.

**Principal Introducer:** \_\_\_\_\_

**Senator Galen Hadley**