

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 632

Introduced by Bostar, 29.

Read first time January 20, 2021

Committee: Business and Labor

1 A BILL FOR AN ACT relating to the Department of Economic Development; to
2 amend section 81-1210.02, Reissue Revised Statutes of Nebraska, and
3 section 81-1201.21, Revised Statutes Cumulative Supplement, 2020; to
4 define terms; to create a subaccount within the Job Training Cash
5 Fund; to provide for an internship program; to provide duties for
6 the department; and to repeal the original sections.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-1201.21, Revised Statutes Cumulative
2 Supplement, 2020, is amended to read:

3 81-1201.21 (1) There is hereby created the Job Training Cash Fund.
4 The fund shall be under the direction of the Department of Economic
5 Development. Money may be transferred to the fund pursuant to subdivision
6 (1)(b)(iii) of section 48-621 and from the Cash Reserve Fund at the
7 direction of the Legislature. The department shall establish a subaccount
8 for all money transferred from the Cash Reserve Fund to the Job Training
9 Cash Fund on or after July 1, 2005. It is the intent of the Legislature
10 to appropriate ten million dollars to the Job Training Cash Fund in
11 FY2021-22.

12 (2) The money in the Job Training Cash Fund or the subaccount
13 established in subsection (1) of this section shall be used (a) to
14 provide reimbursements for job training activities, including employee
15 assessment, preemployment training, on-the-job training, training
16 equipment costs, and other reasonable costs related to helping industry
17 and business locate or expand in Nebraska, (b) to provide upgrade skills
18 training of the existing labor force necessary to adapt to new technology
19 or the introduction of new product lines, (c) as provided in section
20 79-2308, or (d) as provided in section 48-3405. The department shall give
21 a preference to job training activities carried out in whole or in part
22 within an enterprise zone designated pursuant to the Enterprise Zone Act
23 or an opportunity zone designated pursuant to the federal Tax Cuts and
24 Jobs Act, Public Law 115-97.

25 (3) The department shall establish a subaccount within the fund to
26 provide training grants for training employees and potential employees of
27 businesses that (a) employ twenty-five or fewer employees on the
28 application date, (b) employ, or train for potential employment,
29 residents of rural areas of Nebraska, or (c) are located in or employ, or
30 train for potential employment, residents of high-poverty areas as
31 defined in section 81-1203. The department shall calculate the amount of

1 prior year investment income earnings accruing to the fund and allocate
2 such amount to the subaccount for training grants under this subsection.
3 The subaccount shall also be used as provided in the Teleworker Job
4 Creation Act. The department shall give a preference to training grants
5 for businesses located in whole or in part within an enterprise zone
6 designated pursuant to the Enterprise Zone Act.

7 (4)(a) The department shall establish a subaccount within the fund
8 to provide additional funds to businesses providing qualified internships
9 to students pursuant to sections 81-1210.01 to 81-1210.03. The department
10 shall allocate up to one million dollars to the subaccount in FY2021-22.

11 (b) For purposes of the subaccount established in this section:

12 (i) Business means a business that meets the qualifications set
13 forth in section 81-1210.02;

14 (ii) Department means Department of Economic Development;

15 (iii) First-generation college student means a student whose parent
16 or parents did not complete a four-year college or university degree or
17 who did not complete a two-year college or associate's degree;

18 (iv) Internship means an internship that meets the qualifications
19 set forth in section 81-1210.02;

20 (v) Low-income student means a student who is a Federal Pell Grant
21 recipient or whose family income is at or below two hundred percent of
22 the Office of Management and Budget income poverty guidelines as allowed
23 under federal law and under 7 C.F.R. 273.2(j)(2), as such law and
24 regulation existed on January 1, 2021; and

25 (vi) Student has the same meaning as in section 81-1210.01.

26 (c) A business that employs a low-income student or first-generation
27 college student in an internship shall be eligible for additional funds
28 to the amount awarded pursuant to section 81-1210.02.

29 (d)(i) The amount of additional funds for a low-income student shall
30 equal fifty percent of the cost of the internship pursuant to subdivision
31 (3)(a) or (b) of section 81-1210.02. The maximum amount of additional

1 funds pursuant to this subsection shall be two thousand five hundred
2 dollars.

3 (ii) The amount of additional funds for a first-generation college
4 student shall equal twenty-five percent of the cost of the internship
5 pursuant to subdivision (3)(a) or (b) of section 81-1210.02. The maximum
6 amount of additional funds pursuant to this subsection shall be one
7 thousand dollars.

8 (iii) A business that receives additional funds for a student
9 pursuant to this subsection shall only be eligible to receive additional
10 funds from either subdivision (4)(d)(i) or (ii) of this section,
11 whichever is greater.

12 (e) A low-income student employed at an internship shall be eligible
13 to apply for a Transportation Aid grant in the amount of twenty-five
14 dollars per month that the student is employed at the internship. The
15 grant shall be paid monthly by the department from the subaccount
16 established in this section. The department shall develop guidelines for
17 application to and disbursement of the Transportation Aid grant
18 established in this subsection.

19 (f) A low-income student shall be eligible to apply for financial
20 assistance for child care from the subaccount in this section. The amount
21 of financial assistance to be paid to eligible students under this
22 subsection shall not exceed two hundred fifty dollars per month that the
23 student is employed at the internship and is to be paid monthly by the
24 department. The department shall develop guidelines for application to
25 and disbursement of the financial assistance for child care established
26 in this subsection.

27 (g) The subaccount established under this subsection shall be used
28 to provide wrap-around job coaching to students employed at an internship
29 after the internship has expired. The department shall develop guidelines
30 for wrap-around job coaching, but no more than one-quarter of the yearly
31 funds allocated to this subaccount shall be used for wrap-around job

1 coaching.

2 (h) The department may use the subaccount established in this
3 subsection to provide legal aid to international students. The department
4 may establish guidelines for purposes of this subsection.

5 (i) The funds allocated from the subaccount established in this
6 subsection shall be awarded on a first-come, first-served basis. Unused
7 funds shall carry forward.

8 (j) The department shall report annually to the Legislature the
9 grants awarded under this section, including, but not limited to: The
10 number of recipients for each grant type, the average grant award for
11 each grant type, the aggregate amount granted for each grant type, the
12 average wage paid to the students, and the locations of the internships
13 for which students are granted awards. The report shall be made
14 electronically.

15 (k) The department may adopt and promulgate rules and regulations to
16 govern the disbursement of funding pursuant to this section.

17 ~~(4) On April 5, 2018, any funds that were dedicated to carrying out~~
18 ~~sections 81-1210.01 to 81-1210.03 but were not yet expended shall be~~
19 ~~transferred to the Intern Nebraska Cash Fund.~~

20 (5) Any money in the Job Training Cash Fund available for investment
21 shall be invested by the state investment officer pursuant to the
22 Nebraska Capital Expansion Act and the Nebraska State Funds Investment
23 Act.

24 Sec. 2. Section 81-1210.02, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 81-1210.02 (1) The intent of sections 81-1210.01 to 81-1210.03 is to
27 provide students with valuable internship opportunities in order to
28 retain such students and attract workers to Nebraska by assisting
29 Nebraska businesses willing to provide paid internships.

30 (2) A business may apply to the department for a grant to assist in
31 providing a student an internship if:

1 (a) The business certifies that the internship meets the definition
2 of internship in section 81-1210.01;

3 (b) The business will pay the student at least thirteen dollars per
4 hour the federal minimum hourly wage for the internship if the internship
5 is located in a county with less than one hundred thousand residents and
6 fifteen dollars per hour for the internship if the internship is located
7 in a county with one hundred thousand residents or more;

8 (c) The internship will be completed within the State of Nebraska;

9 (d) The internship will be completed within a period of no more than
10 twelve months; and

11 (e) The internship will be for a duration sufficient to allow the
12 student to gain significant valuable work experience and knowledge.

13 (3) The department may provide grants for internships in the
14 following amounts:

15 (a) If the student receiving the internship is a Federal Pell Grant
16 recipient at the time of grant application, the grant may be up to the
17 lesser of seventy-five percent of the cost of the internship or seven
18 thousand five hundred dollars. The business applying for the grant shall
19 provide the department with documentation to prove that the student is a
20 Federal Pell Grant recipient; and

21 (b) For all other students, the grant may be up to the lesser of
22 seventy-five percent of the cost of the internship or five thousand
23 dollars.

24 (4) A business may apply for no more than two grants for the same
25 student, shall not be awarded more than five grants at any one location
26 in any twelve-month period, and shall not be awarded more than ten grants
27 total in any twelve-month period.

28 (5) A business may allow a student to telecommute if the business is
29 located more than thirty miles from the college, university, or other
30 institution of higher education in which the student is enrolled and if
31 the college, university, or other institution of higher education is in

1 Nebraska.

2 (6) The department shall, to the extent possible, assure that the
3 distribution of grants under sections 81-1210.01 to 81-1210.03 provides
4 equitable access to the grants by all geographic areas of the state.

5 (7) The department shall, to the extent possible, assure that the
6 grants awarded pursuant to sections 81-1210.01 to 81-1210.03 are for
7 internships which provide valuable learning opportunities for students
8 who will be seeking employment in a professional or technical field.

9 (8) The department shall not allocate more than three ~~one~~ million
10 ~~five hundred thousand~~ dollars in any one fiscal year from the Job
11 Training Cash Fund or its subaccounts for purposes of this section. The
12 department may receive funds from public, private, or other sources for
13 purposes of this section.

14 (9) The department shall develop a qualified action plan by January
15 1 of each even-numbered year. The plan shall, at a minimum, set forth the
16 department's priorities and selection criteria for awarding grants for
17 internships. In order to encourage students from across Nebraska to
18 pursue internships, the plan shall also include strategies for
19 affirmatively marketing internships to Nebraska students in high schools,
20 colleges, universities, and other institutions of higher education in
21 Nebraska. Such strategies shall place an emphasis on marketing to
22 underserved student populations as defined by the department in the plan.
23 The department shall submit the plan to the Governor for approval.

24 Sec. 3. Original section 81-1210.02, Reissue Revised Statutes of
25 Nebraska, and section 81-1201.21, Revised Statutes Cumulative Supplement,
26 2020, are repealed.