

AMENDMENTS TO LB847

(Amendments to Standing Committee amendments, AM2141)

Introduced by Kauth, 31.

1 1. Insert the following new sections:

2 **Sec. 33.** Section 81-12,158, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 81-12,158 (1) The department shall establish a financial assistance
5 program to provide financial assistance to businesses that employ no more
6 than five hundred employees or to individuals for the purposes of
7 creating a prototype of a product stemming from research and development
8 at a business operating in Nebraska or a public or private college or
9 university in Nebraska.

10 (2)(a) Until three months after April 20, 2022, funds shall be
11 matched by nonstate funds equivalent in money equal to fifty percent of
12 the funds requested; and

13 (b) Beginning three months after April 20, 2022, funds shall be
14 matched by nonstate funds equivalent in money equal to:

15 (i) Twenty-five percent of the funds requested if the applicant's
16 principal residence or principal place of business is located in an
17 economic redevelopment area within a city of the metropolitan class; or

18 (ii) Fifty percent of the funds requested for any other applicant.

19 (3) Matching funds may be from any nonstate source, including
20 private foundations, federal or local government sources, quasi-
21 governmental entities, or commercial lending institutions, or any other
22 funds whose source does not include funds appropriated by the
23 Legislature.

24 (4) The amount the department may provide shall not exceed one
25 hundred fifty thousand dollars per project.

26 (5) A business or individual applying for financial assistance under

1 this section shall include a business plan that includes a proof-of-
2 concept demonstration.

3 (6) Financial assistance under this section shall be expended within
4 twenty-four months after the date of the awarding decision.

5 (7) The department shall award at least four million dollars per
6 year and may award up to six million dollars per year for financial
7 assistance under this section.

8 **Sec. 34.** Section 81-12,160, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 81-12,160 (1) The department shall establish a financial assistance
11 program to provide financial assistance to businesses operating in
12 Nebraska that employ no more than five hundred employees or to
13 individuals that have a prototype of a product or process for the
14 purposes of commercializing such product or process. The applicant shall
15 submit a feasibility study stating the potential sales and profit
16 projections for the product or process.

17 (2) The department shall create a program with the following
18 provisions to support commercialization of a product or process:

19 (a) Commercialization infrastructure documentation, including market
20 assessments and start-up strategic planning;

21 (b) Promotion, marketing, advertising, and consulting;

22 (c) Management and business planning support;

23 (d) Linking companies and entrepreneurs to mentors;

24 (e) Preparing companies and entrepreneurs to acquire venture
25 capital; and

26 (f) Linking companies to sources of capital.

27 (3) Funds shall be matched by nonstate funds equal to fifty percent
28 of the funds requested. Matching funds may be from any nonstate source,
29 including private foundations, federal or local government sources,
30 quasi-governmental entities, or commercial lending institutions, or any
31 other funds whose source does not include funds appropriated by the

1 Legislature.

2 (4) The department shall not provide more than five hundred thousand
3 dollars to any one project. Each year the department shall award at least
4 four million dollars and may award up to six million dollars under this
5 section.

6 (5) Financial assistance provided under this section shall be
7 expended within twenty-four months after the date of the awarding
8 decision.

9 (6) To carry out this section, the department shall contract with
10 one statewide venture development organization that is incorporated in
11 the State of Nebraska and exempt for federal tax purposes under section
12 501(c)(3) of the Internal Revenue Code.

13 **Sec. 35.** Section 81-12,163, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 81-12,163 (1) It is the intent of the Legislature to appropriate
16 fifteen million dollars to the department for fiscal year 2026-27 and
17 each fiscal year thereafter for purposes of carrying out the Business
18 Innovation Act.

19 (2) ~~(1)~~ It is the intent of the Legislature that (a) the four
20 million dollars saved due to the elimination of funding for the Angel
21 Investment Tax Credit Act be used to increase the appropriation to the
22 department for the Business Innovation Act by four million dollars for
23 fiscal year 2021-22 and each fiscal year thereafter and (b) the one
24 hundred thousand dollars saved due to the reduction in tax credits
25 authorized under the Angel Investment Tax Credit Act for calendar year
26 2019 be used to increase the appropriation to the Department of Revenue
27 by one hundred thousand dollars for fiscal year 2019-20 to offset the
28 costs incurred by the Department of Revenue to implement Laws 2019,
29 LB334.

30 (3) ~~(2)~~ Up to five percent of the funds appropriated for the
31 Business Innovation Act may be used by the department, or by a nonprofit

1 entity with which the department contracts, for administrative expenses.

2 **Sec. 37.** Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15,
3 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 39,
4 and 40 of this act become operative three calendar months after the
5 adjournment of this legislative session. The other sections of this act
6 become operative on their effective date.

7 **Sec. 38.** Original sections 81-12,158, 81-12,160, and 81-12,163,
8 Reissue Revised Statutes of Nebraska, are repealed.

9 **Sec. 41.** Since an emergency exists, this act takes effect when
10 passed and approved according to law.

11 2. On page 40, strike beginning with "The" in line 8 through the
12 period in line 9 and show as stricken.

13 3. Renumber the remaining sections accordingly.