

ONE HUNDRED NINTH LEGISLATURE - SECOND SESSION - 2026
COMMITTEE STATEMENT
LB1152

Hearing Date: Tuesday February 10, 2026
Committee On: Banking, Commerce and Insurance
Introducer: Ballard
One Liner: Adopt the New Taxpayer Recruitment Grant Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	7	Senators Jacobson, Bostar, Hallstrom, Hardin, Riepe, von Gillern, Wordekemper
Nay:		
Absent:	1	Senator Dungan
Present Not Voting:		

Testimony:

Proponents:

Senator Beau Ballard
Mike Rutz
John Murante
Jennifer Creager

Representing:

Opening Presenter
Make My Move
Keith County Area Development
Greater Omaha Chamber

Opponents:

Representing:

Neutral:

Lynn Rex

Representing:

League of Nebraska Municipalities

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 1152 creates the New Taxpayer Recruitment Grant Act, a bill that establishes a performance-based state program designed to bolster Nebraska's workforce by incentivizing out-of-state households to relocate to local communities. Administered by the Nebraska Department of Economic Development (Department), the Act allows municipalities, counties, and economic-focused nonprofits to apply for grants of up to \$250,000 per fiscal year. To ensure fiscal accountability, the bill mandates a tiered disbursement schedule where only half of the grant is provided upfront, with the remaining half released only after the recipient proves they have met 50% of their stated "household goal" for new residents.

To maintain high standards for new residents, the Act sets strict eligibility criteria for participating households, requiring a minimum annual income of \$55,000 and verified primary residency outside of Nebraska at the time of application. Transparency and regional commitment are further enforced through mandatory semiannual reports



detailing recruitment outcomes and economic impacts, alongside a requirement for local entities to provide matching funds or in-kind contributions. With the creation of a dedicated cash fund and formal rulemaking authority granted to the Department, the Act provides a comprehensive framework for the state to strategically manage and measure the success of its population growth initiatives.

Section-by-Section Summary:

Section 1: Identifies sections 1 to 8 of the bill as the New Taxpayer Recruitment Grant Act (Act).

Section 2: Provides the legal definitions for the Act.

Section 3: Outlines the formal application process and eligibility requirements for entities seeking funding to recruit new residents to Nebraska. This section allows Nebraska cities, counties, Indian tribes, and nonprofit organizations focused on economic or community development to apply for grants starting on July 15 of each fiscal year. Applicants are required to submit a detailed program plan that includes an itemized budget for design, marketing, and relocation incentives, as well as a specific household goal and the estimated economic impact of their recruitment efforts. To qualify, an applicant must demonstrate the ability to provide a local match of at least 20% of the program's total cost and, if they have received a grant in the past, provide evidence that they successfully met their previous recruitment targets.

The Department is responsible for reviewing these applications in the order they are received and must notify applicants of approval within 30 days. The bill places a firm cap on the amount of funding available to any single entity, stating that no applicant may receive more than \$250,000 in grants during a single fiscal year. To ensure accountability, the disbursement of funds is tied directly to performance through a two-stage process. While the first 50% of the grant is provided upon the initial award, the remaining 50% is only released once the recipient reports that they have successfully met half of their stated household goal. If an applicant fails to reach this halfway mark, the remaining funds are withheld and made available to other qualified applicants.

Section 4: Establishes the specific eligibility criteria and application requirements for households seeking relocation incentives. To qualify, a household must designate a primary point of contact and provide detailed personal information for all members, including social security numbers and proof that their current primary residence is located entirely outside the State of Nebraska. Importantly, the section sets a firm financial threshold for participation, requiring applicants to submit employment records and job descriptions that demonstrate a minimum annual household income of \$55,000 to ensure the program recruits active, high-earning taxpayers to the state.

Section 5: Establishes a data collection framework that requires grant recipients to submit semiannual reports to the Department detailing recruitment outcomes such as the total number of applications, the specific incentives awarded to each household, and the income and occupation of new residents. To facilitate this transparency, the section mandates that participating households must provide the necessary personal and financial information to the grant-awarding entity, which may rely on that data in good faith to estimate the program's broader economic impact on state and local tax revenue and consumer spending.

Section 6: Identifies the permissible sources for the local funds or in-kind donations required to match the state grant. Under this section, grant applicants may leverage a variety of resources, including revenue generated by local sales taxes or inheritance taxes. The section also explicitly allows for the use of private donations, federal funding, and the estimated market value of donated goods or services to meet the matching requirement, creating a flexible partnership between state and local entities.

Section 7: Creates the New Taxpayer Recruitment Grant Cash Fund within the state treasury. This fund is



administered by the Department and consists of money appropriated by the Legislature as well as any gifts or grants from federal, public, or private sources. The section stipulates that any money in the fund shall be invested by the state investment officer.

Section 8: Provides the Department with the formal authority to implement the Act. This section grants the Department the power to adopt and promulgate the rules and regulations necessary to carry out the provisions of the Act.

Explanation of amendments:

AM 2643 makes three changes to LB 1152. First, it strikes original subsection (5) in section 3 of the bill and replaces it with the following: "The department may approve applications and award grants under the New Taxpayer Recruitment Grant Act subject to available funding in the New Taxpayer Recruitment Grant Cash Fund." Second, it amends section 6 of the bill to remove the ability of a grant applicant to use revenue generated by sales tax, inheritance tax, or fee as a means of satisfying the 20% grant applicant contribution amount found in section 3 of the bill. Third, it removes counties from participation in the grant application process.

Mike Jacobson, Chairperson

