

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

March 9, 2000

LB 1348

SENATOR CROSBY: Thank you, Senator Wehrbein. (Visitor introduced.) Senator Dierks, you're recognized to open on the committee amendment.

SENATOR DIERKS: Thank you, Madam President. Members of the Legislature, committee amendments on LB 1348 generally reduce the scope of the bill. You'll note in the committee statement that the original LB 1348 was divided into three major components. The first portion created the Ag Opportunities Grant Program, the second major division created the Community Opportunities Grant Program, and the third component makes changes to the "Microenterprise" Partnership Program. The results of the amendments is to focus the bill more on those portions related directly to creating and supporting value-added and other types of self-employment opportunities. The amendments reduce the cost of the bill to a level that is more sustainable and realistic, although certainly we in rural Nebraska are grateful for all efforts to stimulate economic growth and diversity. The committee amendments strike the Community Opportunities Grant Program. This portion of the bill focused on supporting programs which increased the economic development capacity of communities and neighborhoods. What remains in the bill is the Agricultural Opportunities Grant Program, which were combined in original Sections 4 to 8 of the bill. This program seeks to stimulate and support activities and projects which have the potential to result in new enterprise formation and greater farm income. The amendments, however, reduce the maximum grant from \$150,000 to \$75,000 and provide that grants are subject to annual review and renewal rather than on a five-year basis. The amendments provide that the Department of Agriculture should coordinate with other organizations or institutions with similar economic objectives in administering this program. Section 2 through 13 of the amendment modify the changes to the "Microenterprise" Partnership Program proposed by the original bill. Current law provides two levels of matching state dollars on a dollar-for-dollar basis: first, with the statewide organization contracted with to administer the program and, secondly, from the ultimate recipients--the network of "microloan" delivery organizations. As introduced, LB 1348 would have reduced the match of "nonstate" funds to 25 percent. This match amount...amount is increased to 50 percent. The amendments also