

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 232**

Introduced By: Dubas, 34; Adams, 24; Aguilar, 35; Avery, 28;  
Carlson, 38; Dierks, 40; Karpisek, 32; Rogert, 16;  
White, 8

Read first time: January 9, 2007

Committee: Government, Military and Veterans Affairs

A BILL

1 FOR AN ACT relating to the Building Entrepreneurial Communities  
2 Act; to amend sections 81-12,126 and 81-12,127, Revised  
3 Statutes Cumulative Supplement, 2006; to change provisions  
4 relating to matching funds as prescribed; to define a term;  
5 and to repeal the original sections.

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

1           Section 1. Section 81-12,126, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           81-12,126. The purpose of the Building Entrepreneurial  
4 Communities Act is to support economically depressed rural areas of  
5 Nebraska in building entrepreneurial communities through grants that  
6 will create community capacity to build and sustain programs to  
7 generate and retain wealth in the community and region. Specifically,  
8 the act will:

9           (1) Provide education and technical assistance to energize  
10 small business development and entrepreneurship;

11           (2) Provide technical assistance to facilitate small  
12 business transfer;

13           (3) Build community business capacity and leadership  
14 programs;

15           (4) Generate opportunities that will attract and retain  
16 young people and families;

17           (5) Provide education about philanthropy and  
18 intergenerational transfer of wealth; ~~and~~

19           (6) Build community endowments to support these activities;  
20 and -

21           (7) Establish community initiatives to attract new  
22 residents.

23           Sec. 2. Section 81-12,127, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25           81-12,127. (1) The Department of Economic Development, with  
26 assistance provided by the Rural Development Commission, shall  
27 establish and administer a grant process to provide grants to ~~two or~~

1 ~~more municipalities, counties, unincorporated areas within a county,~~  
2 units of government or census tracts that are collaborating on a  
3 project related to the purpose of the Building Entrepreneurial  
4 Communities Act with priority given to projects that best alleviate  
5 chronic economic distress. At least one of the collaborating  
6 ~~municipalities, counties, unincorporated areas within a county,~~  
7 units of government or census tracts shall have chronic economic  
8 distress as indicated by:

9 ~~(a) An unemployment rate which exceeds the statewide~~  
10 ~~average unemployment rate;~~

11 ~~(b)~~ (a) A per capita income below the statewide average  
12 per capita income; or

13 ~~(c)~~ (b) A population loss between the two most recent  
14 federal decennial censuses.

15 (2) Grants shall not exceed seventy-five thousand dollars  
16 per collaborative project. Grant recipients shall have two years to  
17 expend the grant funds. No ~~municipality or county~~ unit of  
18 government shall receive funding for more than one project. Grant  
19 recipients shall provide a dollar-for-dollar match ~~in money~~ for  
20 grant funds. At least fifty percent of such matching funds shall be  
21 in cash, except that in limited resource areas the cash match  
22 requirement is twenty-five percent. Grants shall be awarded directly  
23 to one of the ~~municipalities or counties~~ units of government  
24 representing the collaborative project. The department shall act as  
25 the fiduciary agent for the grants.

26 (3) Planning grants may be awarded to limited resource  
27 areas in amounts not exceeding five thousand dollars for the purpose

1 of establishing collaborations and developing proposals for  
2 submission under this section. Limited resource areas shall match  
3 fifty percent of the grants in-kind. There is no cash match  
4 requirement for planning grants.

5 (4) For purposes of this section, limited resource areas  
6 means areas that meet at least one of the following criteria:

7 (a) A per capita income below the statewide average per  
8 capita income by at least twenty percent; or

9 (b) A population loss in the previous twenty years of at  
10 least twenty percent.

11 Sec. 3. Original sections 81-12,126 and 81-12,127, Revised  
12 Statutes Cumulative Supplement, 2006, are repealed.