



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 425

Chairperson: Rich Pahls
Committee: Banking, Commerce and Insurance
Date of Hearing: February 20, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 425 adopts the Nebraska Operational Assistance Act. The bill does not create a new program. It renames and maintains the provisions of the Nebraska Venture Capital Forum Act that began in 2001 with the passage of LB 225 and was renewed by LB 498 in 2005.

LB 425 continues the appropriation of funds to the Nebraska Department of Economic Development. The Department awards the funds to a private, nonprofit organization to implement the terms of the Act. The Department may also accept funds from other public and private sources, and add them to the state appropriation. The nonprofit organization must provide cash or in-kind matching funds of at least one-third of all of the funds appropriated for the Act.

The Nebraska Operational Assistance Act requires the administering nonprofit organization to provide technical assistance to individuals and companies that lack the foundational components to achieve their growth potential. The individuals and companies are then matched with people who are willing and able to make investments now, in order to potentially realize sizeable profits in the future. The provisions of the Nebraska Operational Assistance Act and the state funds that help to support it, would sustain the existing groundwork from which new ideas can be launched to create high-paying jobs, import dollars to our state and expand our tax base.

Principal Introducer: _____
Senator Dave Pankonin