

AMENDMENTS TO LB 387

Introduced by Hadley

1           1. Strike original sections 2, 10, and 11, and insert the  
2 following new sections:

3           Sec. 2. For purposes of the Business Innovation Act:

4           (1) Department means the Department of Economic  
5 Development;

6           (2) Distressed area means a municipality, a county with a  
7 population of fewer than one hundred thousand inhabitants according  
8 to the most recent federal decennial census, an unincorporated area  
9 within a county, or a census tract in Nebraska that (a) has an  
10 unemployment rate which exceeds the statewide average unemployment  
11 rate, (b) has a per capita income below the statewide average per  
12 capita income, or (c) had a population decrease between the two  
13 most recent federal decennial censuses;

14           (3) Federal grant program means the federal Small  
15 Business Administration's Small Business Innovation Research grant  
16 program;

17           (4) Microenterprise means a for-profit business entity  
18 with not more than ten full-time equivalent employees;

19           (5) Prototype means an original model on which something  
20 is patterned by a resident of Nebraska or a company located in  
21 Nebraska; and

22           (6) Value-added agriculture means increasing the net  
23 worth of food or nonfood agricultural products by processing,

1 alternative production and handling methods, collective marketing,  
2 or other innovative practices.

3           Sec. 4. In selecting projects to receive financial  
4 assistance under the Business Innovation Act, the department shall  
5 develop a qualified action plan by January 1 of each even-numbered  
6 year. The plan shall set forth selection criteria to be used  
7 to determine priorities which are appropriate to local conditions  
8 and the state's economy, including the state's immediate need for  
9 innovation development, proposed increases in jobs and investment,  
10 private dollars leveraged, industry support and participation, and  
11 repayment, in part or in whole, of financial assistance awarded by  
12 the fund. The Economic Development Commission shall submit the plan  
13 to the Governor for approval.

14           Sec. 8. (1) The department shall establish an innovation  
15 in value-added agriculture program. The purpose of this program is  
16 to provide financial assistance to:

17           (a) Support small enterprise formation in the  
18 agricultural sector of Nebraska's rural economy, including  
19 innovative efforts for value-added enterprises;

20           (b) Support the development of agricultural communities  
21 and economic opportunity through innovation in farming and ranching  
22 operations, rural communities, and businesses for the development  
23 of value-added agricultural products;

24           (c) Enhance the income and opportunity for farming and  
25 ranching operations in Nebraska in order to stem the decline in  
26 their numbers;

27           (d) Increase the farming and ranching operations' share

1 of the food-system profit;

2 (e) Enhance opportunities for farming and ranching  
3 operations to participate in electronic commerce and new and  
4 emerging markets that strengthen rural economic opportunities; and

5 (f) Encourage the production and marketing of specialty  
6 crops in Nebraska and to support the creation and development of  
7 agricultural enterprises and businesses that produce and market  
8 specialty crops in Nebraska.

9 (2) Agricultural cooperatives, farming or ranching  
10 operations, and private businesses and enterprises operating in  
11 Nebraska shall be eligible for financial assistance under this  
12 section.

13 (3) An entity receiving financial assistance shall  
14 provide a twenty-five percent match of such assistance.

15 (4) The department shall not award more than one million  
16 dollars per year for financial assistance under this section.

17 Sec. 12. (1) It is the intent of the Legislature to  
18 appropriate seven million dollars from the General Fund to the  
19 Department of Economic Development for the Business Innovation Act  
20 for each of fiscal years 2011-12 and 2012-13.

21 (2) Up to five percent of the funds appropriated may be  
22 used by the department, or by a nonprofit entity with which the  
23 department contracts, for administrative expenses.

24 2. On page 2, line 1, strike "14" and insert "15";  
25 strike lines 22 and 23 and insert "high growth, high technological  
26 companies, small businesses, and microenterprises and to enhance  
27 creation of wealth and quality jobs. The Legislature finds that the

1 act will:"; and in line 25 strike "5" and insert "6".

2           3. On page 3, line 2, strike "5" and insert "6"; in  
3 line 5 strike "6" and insert "7"; in line 8 strike "7" and  
4 insert "9"; in line 9 after "(5)" insert "Establish a financial  
5 assistance program pursuant to section 8 of this act for innovation  
6 in value-added agriculture;

7           (6)" and strike "8" and insert "10"; in line 12 strike  
8 "9" and insert "11"; and in line 15 strike "5 to 9" and insert "6  
9 to 11".

10           4. On page 4, line 11, strike "headquartered" and insert  
11 "operating".

12           5. On page 6, line 14, after "public" insert "or  
13 private".

14           6. On page 7, line 10; page 8, lines 15, 19, 21, and 25;  
15 page 9, lines 3, 6, 11, 16, 18, 21, and 23; and page 10, line 7,  
16 after "delivery" insert "or microloan technical assistance".

17           7. On page 9, line 19, strike "and"; in line 21 strike  
18 the period and insert "; and"; and after line 21 insert:

19           "(e) Provide grants to establish loan-loss reserve funds  
20 to match loan capital borrowed from other sources, including  
21 federal microenterprise loan programs.".

22           8. On page 10, line 5, strike "and"; and strike lines 6  
23 through 10 and insert:

24           "(b) The department may contract with one or more  
25 statewide microenterprise development assistance organizations to  
26 carry out this section. No less than seventy percent of microloan  
27 funds shall be disbursed in microloans which do not exceed fifty

1 thousand dollars or used to capitalize loan-loss reserve funds for  
2 such loans; and

3 (c) No less than thirty percent of the microloan  
4 funds shall be used by microenterprise development assistance  
5 organizations for small business technical assistance.

6 (5) Each year the department shall award at least five  
7 hundred thousand dollars but not more than one million dollars  
8 under this section."

9 9. Renumber the remaining sections accordingly.