

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 476**  
Final Reading

Introduced by Carlson, 38.

Read first time January 22, 2013

Committee: Business and Labor

A BILL

1 FOR AN ACT relating to economic development; to amend sections  
2 81-1201.21, 81-1210.01, 81-1210.02, and 81-1210.03,  
3 Revised Statutes Cumulative Supplement, 2012; to change  
4 provisions relating to grants for internships; to define  
5 and redefine terms; to harmonize provisions; to provide  
6 an operative date; and to repeal the original sections.  
7 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 81-1201.21, Revised Statutes  
2 Cumulative Supplement, 2012, is amended to read:

3                   81-1201.21 (1) There is hereby created the Job Training  
4 Cash Fund. The fund shall be under the direction of the Department of  
5 Economic Development. Money may be transferred to the fund pursuant  
6 to subdivision (1)(b)(iii) of section 48-621 and from the Cash  
7 Reserve Fund at the direction of the Legislature. The department  
8 shall establish a subaccount for all money transferred from the Cash  
9 Reserve Fund to the Job Training Cash Fund on or after July 1, 2005.

10                   (2) The department shall use the Job Training Cash Fund  
11 or the subaccount established in subsection (1) of this section (a)  
12 to provide reimbursements for job training activities, including  
13 employee assessment, preemployment training, on-the-job training,  
14 training equipment costs, and other reasonable costs related to  
15 helping industry and business locate or expand in Nebraska, (b) to  
16 provide upgrade skills training of the existing labor force necessary  
17 to adapt to new technology or the introduction of new product lines,  
18 or (c) to provide ~~job training~~ grants pursuant to section 81-1210.02.

19                   (3) The department shall establish a subaccount within  
20 the fund to provide training grants for training employees and  
21 potential employees of businesses that (a) employ twenty-five or  
22 fewer employees on the application date, (b) employ, or train for  
23 potential employment, residents of rural areas of Nebraska, or (c)  
24 are located in or employ, or train for potential employment,  
25 residents of high-poverty areas as defined in section 81-1203. The

1 department shall calculate the amount of prior year investment income  
2 earnings accruing to the fund and allocate such amount to the  
3 subaccount for training grants under this subsection. The subaccount  
4 shall also be used as provided in the Teleworker Job Creation Act and  
5 as provided in section 81-1210.02.

6 (4) Any money in the fund available for investment shall  
7 be invested by the state investment officer pursuant to the Nebraska  
8 Capital Expansion Act and the Nebraska State Funds Investment Act.

9 Sec. 2. Section 81-1210.01, Revised Statutes Cumulative  
10 Supplement, 2012, is amended to read:

11 81-1210.01 For purposes of sections 81-1210.01 to  
12 81-1210.03:

13 (1) Department means the Department of Economic  
14 Development;

15 ~~(2) Distressed area means a municipality, county with a~~  
16 ~~population of fewer than one hundred thousand inhabitants according~~  
17 ~~to the most recent federal decennial census, unincorporated area~~  
18 ~~within a county, or census tract in Nebraska that (a) has an~~  
19 ~~unemployment rate which exceeds the statewide average unemployment~~  
20 ~~rate, (b) has a per capita income below the statewide average per~~  
21 ~~capita income, or (c) had a population decrease between the two most~~  
22 ~~recent federal decennial censuses;~~

23 ~~(3) Eligible company has the same meaning as qualified~~  
24 ~~business in subsection (1) of section 77-5715;~~

25 ~~(4) Intern means any person who is working in a~~

1 professional environment for a limited period of time to gain  
2 sufficient practical work experience in a professional or technical  
3 position to allow for career decisionmaking and to provide the  
4 employer valuable skills to accelerate short term business objectives  
5 and who (a) is enrolled full time in a four year college or  
6 university in Nebraska and has achieved junior or senior status by  
7 such institution's criteria, (b) is enrolled full time in a two year  
8 college in Nebraska and has successfully completed a minimum of one-  
9 half of the total credit hours required for an associate degree, or  
10 (c) having residency in Nebraska, is enrolled full time in a four-  
11 year college or university in a state other than Nebraska and has  
12 achieved junior or senior status by such institution's criteria; and

13 ~~(5)-(2)~~ Internship means any internship that did not  
14 exist before June 1, 2011. employment of a student in a professional  
15 or technical position for a limited period of time, by a business in  
16 Nebraska, in which the student (a) gains valuable work experience,  
17 (b) increases knowledge that assists with career decisionmaking, and  
18 (c) assists the business in accelerating short-term business  
19 objectives; and

20 (3) Student means any person who:

21 (a) Is enrolled full-time in a college, university, or  
22 other institution of higher education in Nebraska;

23 (b) Has residency in Nebraska and is enrolled full-time  
24 in a college, university, or other institution of higher education in  
25 a state other than Nebraska; or

1           (c) Applies for an internship within six months following  
2 graduation from (i) a college, university, or other institution of  
3 higher education in Nebraska or (ii) a college, university, or other  
4 institution of higher education in a state other than Nebraska if  
5 such person had residency in Nebraska during his or her enrollment in  
6 such college, university, or institution.

7           Sec. 3. Section 81-1210.02, Revised Statutes Cumulative  
8 Supplement, 2012, is amended to read:

9           81-1210.02 (1) The intent of sections 81-1210.01 to  
10 81-1210.03 is to ~~connect Nebraska~~ provide students ~~pursuing~~  
11 ~~postsecondary degrees with targeted industries~~ with valuable  
12 internship opportunities in order to retain such students and attract  
13 workers to Nebraska by assisting ~~companies~~ Nebraska businesses  
14 willing to provide paid internships.

15           (2) ~~An eligible company~~ A business may apply to the  
16 department for a ~~job training grant~~ to assist in the ~~hiring of an~~  
17 ~~intern providing a student an internship if:~~

18           (a) The ~~company~~ business certifies that the internship  
19 meets the definition of internship in section 81-1210.01;

20           (b) ~~The internship pays at least the federal minimum~~  
21 ~~wage;~~

22           (c) ~~The intern will work a minimum of two hundred hours~~  
23 ~~in a twelve week period but no more than one thousand hours in a~~  
24 ~~fifty week period; and~~

25           (d) ~~The intern applies for the internship prior to~~

1 ~~graduation, even though the internship may be completed after~~  
2 ~~graduation.~~

3 (b) The business will pay the student at least the  
4 federal minimum hourly wage for the internship;

5 (c) The internship will be completed within the State of  
6 Nebraska;

7 (d) The internship will be completed within a period of  
8 no more than twelve months; and

9 (e) The internship will be for a duration sufficient to  
10 allow the student to gain significant valuable work experience and  
11 knowledge.

12 (3) ~~The department may provide a job training grant of~~  
13 grants for internships in the following amounts:

14 (a) If the student receiving the internship is a Federal  
15 Pell Grant recipient at the time of grant application, the grant may  
16 be up to the lesser of seventy-five percent of the cost of the  
17 internship or seven thousand five hundred dollars. The business  
18 applying for the grant shall provide the department with  
19 documentation to prove that the student is a Federal Pell Grant  
20 recipient; and

21 (b) For all other students, the grant may be up to the  
22 lesser of ~~forty~~ seventy-five percent of the cost of the internship or  
23 three thousand five hundred dollars, except that if the internship is  
24 in a distressed area, the job training grant may be up to the lesser  
25 of ~~sixty~~ percent of the cost of the internship or five thousand

1 dollars.

2 (4) ~~An eligible company~~ A business may apply for no more  
3 than two ~~job training grants~~ for the same ~~intern, student,~~ shall not  
4 be awarded more than five ~~job training grants~~ at any one location in  
5 any twelve-month period, and shall not be awarded more than ten ~~job~~  
6 ~~training grants~~ total in any twelve-month period.

7 (5) ~~An eligible company~~ A business may allow ~~an intern a~~  
8 ~~student~~ to telecommute if the ~~eligible company business~~ is located  
9 more than thirty miles from the college, ~~or university, or other~~  
10 ~~institution of higher education~~ in which the ~~intern student~~ is  
11 enrolled and if the college, ~~or university, or other institution of~~  
12 ~~higher education~~ is in Nebraska.

13 (6) The department shall, to the extent possible, assure  
14 that the distribution of ~~job training grants~~ under sections  
15 81-1210.01 to 81-1210.03 provides equitable access to the grants by  
16 all geographic areas of the state.

17 (7) The department shall, to the extent possible, assure  
18 that the grants awarded pursuant to sections 81-1210.01 to 81-1210.03  
19 are for internships which provide valuable learning opportunities for  
20 students who will be seeking employment in a professional or  
21 technical field.

22 ~~(7)-(8)~~ The department shall not allocate more than one  
23 million five hundred thousand dollars in each of ~~FY2011-12 and~~  
24 ~~FY2012-13~~ any one fiscal year from the Job Training Cash Fund or its  
25 subaccounts for purposes of this section. The department may receive

1 funds from public, private, or other sources for purposes of this  
2 section.

3 (9) The department shall develop a qualified action plan  
4 by January 1 of each even-numbered year. The plan shall, at a  
5 minimum, set forth the department's priorities and selection criteria  
6 for awarding grants for internships. In order to encourage students  
7 from across Nebraska to pursue internships, the plan shall also  
8 include strategies for affirmatively marketing internships to  
9 Nebraska students in high schools, colleges, universities, and other  
10 institutions of higher education in Nebraska. Such strategies shall  
11 place an emphasis on marketing to underserved student populations as  
12 defined by the department in the plan. The department shall submit  
13 the plan to the Governor for approval.

14 Sec. 4. Section 81-1210.03, Revised Statutes Cumulative  
15 Supplement, 2012, is amended to read:

16 81-1210.03 The department may adopt and promulgate rules  
17 and regulations to govern the award and disbursement of ~~job training~~  
18 ~~grants under section 81-1210.02.~~ pursuant to sections 81-1210.01 to  
19 81-1210.03.

20 Sec. 5. This act becomes operative on October 1, 2013.

21 Sec. 6. Original sections 81-1201.21, 81-1210.01,  
22 81-1210.02, and 81-1210.03, Revised Statutes Cumulative Supplement,  
23 2012, are repealed.