

One Hundred Eighth Legislature - First Session - 2023

Introducer's Statement of Intent

LB515

Chairperson: Senator Julie Slama

Committee: Banking, Commerce and Insurance

Date of Hearing: January 31, 2023

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

LB515 creates the Rural Economic Development Initiative Act or the REDI Act. It is intended for economic development nonprofits to assist small towns and villages in rural parts of our state prepare for future needs. LB515 creates a grant program that would be awarded to one economic development nonprofit corporation per county.

If awarded, the applicant would be able to hire up to one full-time employee for five years to do outreach to one or more cities of the second class or villages. The Department of Economic Development would be tasked with creating the grant process and accepting or denying applications based on what is set forth in LB515.

The hired employee will be engaged in two or more of the following:

- Providing assistance with the creation of economic development plans
- Identifying and applying for economic development grants
- Identifying and pursuing options to improve housing stock in target communities
- Promoting new development
- Providing assistance with workforce retention
- Advocating for cities, villages, and rural areas within the county when businesses are looking to locate or relocate
- Providing information regarding economic development opportunities available at the state and national level

LB515 appropriates \$15 million to fund the grant project. It also requires that the Department of Economic Development include in its annual report a summary of the program and number of communities being served.

Principal Introducer: _____

Senator Lynne Walz