

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 100

Introduced by Spivey, 13; McKinney, 11.

Read first time January 10, 2025

Committee: Business and Labor

- 1 A BILL FOR AN ACT relating to economic development; to adopt the Business
- 2 Innovation and Startup Act.
- 3 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Sections 1 to 7 of this act shall be known and may be
2 cited as the Business Innovation and Startup Act.

3 **Sec. 2.** (1) The Office of Business, Entrepreneurship, and
4 Innovation is hereby created within the Department of Economic
5 Development.

6 (2) The office shall employ personnel, which shall include at least
7 one full-time equivalent employee, to create and strengthen policies and
8 programs supporting the growth of innovation and entrepreneurship in the
9 state, including across demographic segments and geographic areas that
10 are underserved.

11 (3) The office shall work with stakeholders and organizations to
12 support entrepreneurship by enhancing learning and skills, providing
13 technical support, and expanding access to resources and capital for
14 entrepreneurs.

15 (4) The office shall serve as a point of contact to assist
16 businesses that have been in operation for five years or less in their
17 interactions with state government.

18 (5) No later than July 1, 2026, and no later than July 1 of each
19 year thereafter, the office shall prepare an annual report detailing:

20 (a) The extent to which state legislation that was passed during the
21 most recently completed legislative session impacts business, innovation,
22 and entrepreneurship;

23 (b) Efforts undertaken by the office in helping to support, grow,
24 and maintain business owners; and

25 (c) Strategic goals for the office for the current year and for the
26 following five years.

27 **Sec. 3.** (1) No later than July 1, 2026, and no later than July 1 of
28 each year thereafter, the Director of Economic Development, in
29 conjunction with the Office of Business, Entrepreneurship, and Innovation
30 created under section 2 of this act, shall electronically file a report
31 with the Legislature that includes, but is not limited to:

1 (a) The number and total dollar amount of state contracts awarded to
2 businesses that have been in operation for less than five years,
3 including a breakdown by demographic segments and geographical areas
4 throughout the state;

5 (b) The percentage of state contracts awarded to businesses that
6 have been in operation for less than five years;

7 (c) The percentage of the total dollar amount of state contracts
8 awarded to businesses that have been in operation for less than five
9 years; and

10 (d) Any recommendations on improving access to state contracts for
11 Nebraska businesses that have been in operation for less than five years,
12 including those businesses in statistically underrepresented demographic
13 segments and geographic areas of Nebraska.

14 (2) Beginning July 1, 2026, state agencies are encouraged to award
15 five percent of the total number of state contracts to businesses that
16 have been in operation for less than five years and whose principal place
17 of business is in this state.

18 **Sec. 4.** (1) No later than July 1, 2026, and no later than July 1 of
19 each year thereafter, the Commissioner of Labor shall electronically file
20 a report with the Legislature that includes, but is not limited to:

21 (a) The percentage of workforce development funding, including
22 funding allocated by the Nebraska Workforce Development Board and local
23 workforce development boards, that is allocated to individuals starting
24 new businesses or to individuals or entities that provide services to
25 businesses established within the previous five years and whose principal
26 place of business is in this state; and

27 (b) The total dollar amount of workforce development funding,
28 including funding allocated by the Nebraska Workforce Development Board
29 and local workforce development boards, that is allocated to individuals
30 starting new businesses or to individuals or entities that provide
31 services to businesses established within the previous five years and

1 whose principal place of business is in this state.

2 (2) Beginning July 1, 2026, the Nebraska Workforce Development Board
3 and local workforce development boards are encouraged to allocate five
4 percent of workforce development funding to organizations and programs
5 that support (a) individuals starting new businesses or (b) individuals
6 and entities that provide services to businesses established within the
7 previous five years and whose principal place of business is in this
8 state.

9 (3) For purposes of this section:

10 (a) Local workforce development board means a local workforce
11 development board authorized by the federal Workforce Innovation and
12 Opportunity Act and established in Nebraska; and

13 (b) Nebraska Workforce Development Board means the state workforce
14 development board authorized by the federal Workforce Innovation and
15 Opportunity Act and established in Nebraska.

16 **Sec. 5.** (1) No later than July 1, 2026, and no later than July 1 of
17 each year thereafter, the Director of Economic Development shall
18 electronically file a report with the Legislature that includes, but is
19 not limited to:

20 (a) The percentage of economic development funds awarded to (i)
21 individuals starting new businesses or (ii) individuals and entities that
22 provide services to businesses established within the previous five years
23 and whose principal place of business is in this state; and

24 (b) The total dollar amount of economic development funds awarded to
25 (i) individuals starting new businesses or (ii) individuals and entities
26 that provide services to businesses established within the previous five
27 years and whose principal place of business is in this state.

28 (2) Beginning July 1, 2026, the Department of Economic Development
29 is encouraged to award five percent of economic development funds to (i)
30 individuals starting new businesses or (ii) individuals and entities that
31 provide services to businesses established within the previous five years

1 and whose principal place of business is in this state.

2 (3) For purposes of this section, economic development funds means
3 the amount budgeted for economic development programs administered by the
4 Department of Economic Development, including community development block
5 grants.

6 **Sec. 6.** Beginning July 1, 2026, state agencies and political
7 subdivisions in this state are encouraged to eliminate business license
8 and registration fees for any new business, including a home-based
9 business, whose principal place of business is in this state.

10 **Sec. 7.** Beginning July 1, 2026, the state investment officer is
11 encouraged to invest up to five percent of state funds available for
12 investment, and is required to invest one percent of such funds, into
13 venture capital funds that agree to invest dollar for dollar into
14 businesses that have been in operation for less than five years and whose
15 principal place of business is in this state.