

LEGISLATIVE BILL 639

Approved by the Governor May 25, 1989

Introduced by Government, Military & Veterans Affairs
Committee, Baack, 47, Chairperson;
Conway, 17; Coordsen, 32; Robak, 22;
Beyer, 3; Korshoj, 16

AN ACT relating to the Department of Economic Development; to amend sections 81-1201.07, 81-1201.08, 81-1201.10, 81-1201.14, 81-1201.15, 81-1201.16, 81-1201.18, 81-1273, 81-1274, 81-1275, 81-1276, and 81-1277, Reissue Revised Statutes of Nebraska, 1943; to rename and eliminate certain divisions within the department; to provide duties for such renamed divisions; to harmonize provisions; and to repeal the original sections, and also section 81-1201.17, Reissue Revised Statutes of Nebraska, 1943.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 81-1201.07, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.07. The department shall ~~may~~ have the divisions and program listed in this section to aid in the discharge of its duties; but shall not be limited to such divisions and program: ~~There shall be a~~ (1) An Existing Business Assistance Small Business Division; ~~7~~ (2) a Business Recruitment Division; ~~7~~ (3) a Travel and Tourism Division; ~~7~~ (4) a Community and Rural Development Division; ~~7~~ ~~(5) Telecommunications and Information Division;~~ and ~~(6)~~ (5) a Community Development Block Grant Program. Each division and program, when deemed appropriate by the director, is ~~are~~ encouraged to establish advisory committees and programs to insure public participation and input.

Sec. 2. That section 81-1201.08, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.08. (1) The department shall have an advisory committee to provide regular consultation to the Community Development Block Grant Program.

(2) The membership members of the Community Development Block Grant Program Advisory Committee shall be appointed by the commission upon the recommendation

of the department and shall be:

(a) Two municipal officials from cities of the first class which are nonentitlement cities as defined in the Housing and Community Development Act of 1974, as amended, as amended by the Housing and Urban-Rural Recovery Act of 1983; One municipal official shall be an elected official. One municipal official shall be an appointed official. The municipal officials shall reside in different congressional districts;

(b) Two municipal officials from cities of the second class. One municipal official shall be an elected official. One municipal official shall be an appointed official. The municipal officials shall reside in different congressional districts;

(c) Two municipal officials from villages. One municipal official shall be an elected official. One municipal official shall be an appointed official. The municipal officials shall reside in different congressional districts;

(d) Two elected county officials who reside in different congressional districts;

(e) One staff member from the council of governments as defined in section 84-142;

(f) One staff member from the Governor's Policy Research Office;

(g) One staff member from the community action corporations; and

(h) One registered professional engineer.

(3) The commission shall adopt a selection process for the remaining advisory committees and the committee members shall be selected according to such process by the commission upon the recommendation of the department.

Sec. 3. That section 81-1201.10, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.10. The department shall:

(1) Create and keep current a comprehensive and long-term strategy for economic development. The strategy shall address and be consistent with the general purposes and duties of the department. The strategy shall be developed for consider: (a) The entire state; (b) economic regions within the state; and (c) the operating divisions and program listed in section 81-1201.07; and (e) the Small Business Division; (d) the Recruitment Division; (e) the Travel and Tourism Division; (f) the Community Development Division; (g) the Telecommunications and Information Division; and (h) the Community Development Block Grant Program; and

(2) Develop an independent program of performance review of the activities of the department, departmental divisions, and the Community Development Block Grant Program. The review shall include, but not be limited to: (a) An assessment of the ~~impacts~~ impact of the department's programs corresponding to the strategic plans of the department, departmental divisions, and the Community Development Block Grant Program; (b) a comparative assessment of the relative impact of the department's programs with similar programs in other states; and (c) a comparative assessment of the department's programs' impact on different parts of the state. The review shall be completed or updated at least once every three years.

The Performance Review Revolving Fund is hereby created. The money in the fund shall be used to employ an independent firm experienced in doing performance reviews as prescribed in this subdivision to do performance reviews. Any money in the fund available for investment shall be invested by the state investment officer pursuant to sections 72-1237 to 72-1269 72-1276.

Sec. 4. That section 81-1201.14, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.14. The primary responsibility of the Existing Business Assistance Division shall be to provide assistance to in-state businesses. Such assistance shall encourage the start-up of new businesses and the retention and expansion of existing businesses. Emphasis shall be placed upon meeting the unique needs of small businesses in the state. Activities of the division shall include, but not be limited to, financial packaging, technical assistance, contacts with existing businesses regarding needs, job training assistance, export technical assistance, and assistance to businesses in accessing new markets. The Small Business Division shall (1) develop a community-based program to provide financial and technical assistance to small businesses and entrepreneurs and to assist in the formation of venture capital available to such enterprises; (2) implement the goals and objectives of the Small Business Development Authority Act; (3) serve as the coordinating entity for public assistance programs for small businesses and entrepreneurs; and (4) administer the Business Development Partnership Act.

The Small Business Division ~~division~~ shall avoid duplication with existing programs already in place which assist small businesses and entrepreneurs,

and the department and the division shall deliver their programs through, to the extent possible, the Nebraska Small Business Development Centers, the Nebraska Technical Assistance Center, the Nebraska Food Processing Center, the Nebraska Investment Finance Authority, the Small Business Administration of the federal government, and other related organizations.

Sec. 5. That section 81-1201.15, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.15. The primary responsibility of the Business Recruitment Division shall assist and encourage the location of and expansion of new and existing wealth-generating enterprises in the state be the creation of jobs through the attraction of business to the state. The division shall {1} develop a program of assistance to local governments, chambers of commerce, development organizations, and other entities involved in attracting new value-adding industries, or the expansion of existing enterprises and {2} provide technical assistance and serve as a clearinghouse for efforts to assist the growth of industry in the state; to counsel with industry on special problems; and to provide a liaison between industry and research capabilities in educational institutions and other governmental or private research agencies. Activities shall include, but not be limited to, industrial recruitment, marketing, international investment attraction, and technical assistance to community organizations in their recruitment efforts.

Sec. 6. That section 81-1201.16, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.16. The Community and Rural Development Division shall provide technical and financial assistance to communities for the preparation of community-based community needs assessment and development strategies. The division shall develop a program to assist communities in finding solutions to the problems identified within the community's community needs assessment.

Sec. 7. That section 81-1201.18, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1201.18. The department shall administer the Community Development Block Grant Program. In addition to the performance review requirements in section 81-1201.10, the department shall develop an ongoing program of monitoring the impacts impact of

grants on the communities receiving the grants. The monitoring program shall include, but not be limited to, the following information: (1) The status of the project for which such grant was awarded; (2) the grant amount; (3) the local government contribution; (4) the private financial contribution; (5) the goals and objectives of the grant; and (6) the impact of the grant relative to the goals and objectives of the grant. The department, in consultation with the advisory committee, shall determine community development objectives, state priorities, and guidelines for the distribution of funds for community development projects within the Community Development Block Grant Program, which shall conform to the objectives as set forth in the Housing and Community Development Act of 1974, as amended, as amended by the Housing and Urban-Rural Recovery Act of 1983 and which shall:

(a) Include statistical community need factors as selected by the committee; and

(b) Require that grant applicants submit evidence of a community assessment process for the project, which assessment process the committee shall design. To the extent possible, the Community Development Block Grant funds shall be allocated on a need and competitive basis.

Sec. 8. That section 81-1273, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1273. The Legislature finds and declares:

(1) That the availability of business development services at various geographic locations throughout the state would result in the retention, expansion, and diversification of existing businesses and the creation of new businesses;

(2) That the Nebraska Business Development Center, a department of the University of Nebraska at Omaha, shall provide business development services through a network of small business development centers at Chadron State College, Kearney State College, Peru State College, University of Nebraska at Lincoln, University of Nebraska at Omaha, and Wayne State College;

(3) That business development services may be augmented through specialized research and technical assistance services; and

(4) That the Small Business Existing Business Assistance Division of the Department of Economic Development shall coordinate, ~~administrate~~ administer, and support the delivery of such services. ~~7 and~~

(5) That there should be appropriated \$121,000 for fiscal year 1987-88 to the Small Business Division to carry out the Business Development Partnership Act.

Sec. 9. That section 81-1274, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1274. There is hereby created the Business Development Services Program in the Small Business Existing Business Assistance Division of the Department of Economic Development. The division shall be responsible for the administration of the program and shall have the power and authority to contract for services as provided in sections 81-1275 and 81-1276.

Sec. 10. That section 81-1275, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1275. The Small Business Existing Business Assistance Division shall contract with the Nebraska Business Development Center to administer, manage, and deliver regional small business services, and the Nebraska Business Development Center shall:

(1) Provide such services as close as possible to small businesses through a network of small business development centers located in Omaha, Lincoln, Kearney, Wayne, North Platte, Scottsbluff or Gering, Chadron, Peru, and such other communities as the Small Business Existing Business Assistance Division shall determine based on the applications of communities desiring to be the location of a small business development center. In determining the location of small business development centers, the Small Business Division division shall consider several factors, including, but not limited to: (a) Preexisting small business development centers; (b) geographic accessibility; and (c) existing resources such as building space and office equipment or the willingness of a community to provide some or all of those resources. The Small Business Division division shall prescribe the form of the application for location of a small business development center and take all actions necessary in the processing of such applications;

(2) Integrate activities funded through the Business Development Partnership Act with those funded by the United States Small Business Administration or any other program supporting the Nebraska small business development centers;

(3) Furnish one-to-one individual counseling to small businesses;

(4) Assist in technology transfer, research,

and coupling from existing sources to small businesses;

(5) Maintain current information concerning federal, state, and local regulations that affect small businesses and counsel small business on methods of compliance;

(6) Coordinate and conduct research into technical and general small business problems for which there are no ready solutions;

(7) Provide and maintain a comprehensive library that contains current information and statistical data needed by small businesses;

(8) Maintain a working relationship and open communications with the financial and investment communities, legal associations, local and regional private consultants, and local and regional small business groups and associations in order to help address the various needs of the small business community;

(9) Conduct indepth surveys for local small business groups in order to develop general information regarding the local economy and general small business strengths and weaknesses in the locality; and

(10) Provide other services as determined in consultation with the Small Business Existing Business Assistance Division.

Sec. 11. That section 81-1276, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1276. The Small Business Existing Business Assistance Division may contract with any postsecondary institution of higher education, community organization, governmental agency or entity, or any other profit or nonprofit entity to provide specialized research, technology development assistance, technology transfer services, financial packaging or leveraging services, human resources development services, or such other specialized services as the Small Business Division deems necessary if preference is given to entities based in or operating in Nebraska.

Sec. 12. That section 81-1277, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

81-1277. The Small Business Existing Business Assistance Division shall require, as a condition of contracts awarded under the Business Development Services Program, satisfactory quarterly reports from recipients describing services provided, clients served, and expenditures. The Small Business Division shall provide an annual report to the Legislature which

describes services provided under the Business Development Partnership Act, analyzes the impact of the services, makes recommendations regarding the services, and evaluates the performance of service deliverers.

Sec. 13. That original sections 81-1201.07, 81-1201.08, 81-1201.10, 81-1201.14, 81-1201.15, 81-1201.16, 81-1201.18, 81-1273, 81-1274, 81-1275, 81-1276, and 81-1277, Reissue Revised Statutes of Nebraska, 1943, and also section 81-1201.17, Reissue Revised Statutes of Nebraska, 1943, are repealed.