

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 386

Introduced by Heidemann, 1; at the request of the Governor.

Read first time January 13, 2011

Committee: Business and Labor

A BILL

1 FOR AN ACT relating to job training grants; to amend section
2 81-1201.21, Revised Statutes Cumulative Supplement, 2010;
3 to provide grants for internships; to harmonize
4 provisions; to provide an operative date; to repeal the
5 original section; and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. For purposes of sections 1 to 3 of this act:

2 (1) Department means the Department of Economic
3 Development;

4 (2) Distressed area means a municipality, county,
5 unincorporated area within a county, or census tract in Nebraska that
6 (a) has an unemployment rate which exceeds the statewide average
7 unemployment rate, (b) has a per capita income below the statewide
8 average per capita income, or (c) had a population decrease between
9 the two most recent federal decennial censuses;

10 (3) Eligible company means any company that is
11 categorically eligible to apply for benefits as a tier 3 project
12 under section 77-5725;

13 (4) Intern means any person who is working in a
14 professional environment for a limited period of time to gain
15 sufficient practical work experience in a professional or technical
16 position to allow for career decisionmaking and to provide the
17 employer valuable skills to accelerate short-term business objectives
18 who is either (a) enrolled full time in a two-year or four-year
19 college or university in Nebraska and has achieved junior or senior
20 status by such institution's criteria or (b) enrolled in a four-year
21 college or university in a state other than Nebraska and has
22 residency in Nebraska; and

23 (5) Internship means any internship that did not exist
24 before the operative date of this act.

25 Sec. 2. (1) The intent of sections 1 to 3 of this act is

1 to connect Nebraska students pursuing postsecondary degrees with
2 targeted industries in order to retain such students and attract
3 workers to Nebraska by assisting companies willing to provide paid
4 internships.

5 (2) An eligible company may apply to the department for a
6 job training grant to assist in the hiring of an intern if:

7 (a) The company certifies that the internship meets the
8 definition of internship in section 1 of this act;

9 (b) The internship pays at least the federal minimum
10 wage; and

11 (c) The intern will work a minimum of two hundred hours
12 in a twelve-week period, but no more than one thousand hours in a
13 fifty-week period.

14 (3) The department may provide a job training grant of up
15 to the lesser of forty percent of the cost of the internship or three
16 thousand five hundred dollars except that if the internship is in a
17 distressed area the job training grant may be up to the lesser of
18 sixty percent of the cost of the internship or five thousand dollars.

19 (4) An eligible company may apply for no more than two
20 job training grants for the same intern and shall not be awarded more
21 than five job training grants in any twelve-month period.

22 (5) An eligible company may allow an intern to
23 telecommute if the eligible company is located more than thirty miles
24 from the college or university in which the intern is enrolled and if
25 the college or university is in Nebraska.

1 (6) The department shall, to the extent possible, assure
2 that the distribution of job training grants under the act provides
3 equitable access to the grants by all geographic areas of the state.

4 (7) The department shall not allocate more than one
5 million five hundred thousand dollars in each of FY2011-12 and
6 FY2012-13 from the Job Training Cash Fund for purposes of this
7 section. The department may receive funds from public, private, or
8 other sources for purposes of this section.

9 Sec. 3. The department may adopt and promulgate rules and
10 regulations to govern the award and disbursement of job training
11 grants under section 2 of this act.

12 Sec. 4. Section 81-1201.21, Revised Statutes Cumulative
13 Supplement, 2010, is amended to read:

14 81-1201.21 (1) There is hereby created the Job Training
15 Cash Fund. The fund shall be under the direction of the Department of
16 Economic Development. Money may be transferred to the fund pursuant
17 to subdivision (1)(b)(iv) of section 48-621 and from the Cash Reserve
18 Fund at the direction of the Legislature. The department shall
19 establish a subaccount for all money transferred from the Cash
20 Reserve Fund to the Job Training Cash Fund on or after July 1, 2005.

21 (2) The department shall use the Job Training Cash Fund
22 or the subaccount established in subsection (1) of this section (a)
23 to provide reimbursements for job training activities, including
24 employee assessment, preemployment training, on-the-job training,
25 training equipment costs, and other reasonable costs related to

1 helping industry and business locate or expand in Nebraska, ~~or (b)~~ to
2 provide upgrade skills training of the existing labor force necessary
3 to adapt to new technology or the introduction of new product lines,
4 or (c) to provide job training grants pursuant to section 2 of this
5 act.

6 (3) The department shall establish a subaccount within
7 the fund to provide training grants for training employees and
8 potential employees of businesses that (a) employ twenty-five or
9 fewer employees on the application date, (b) employ, or train for
10 potential employment, residents of rural areas of Nebraska, or (c)
11 are located in or employ, or train for potential employment,
12 residents of high-poverty areas as defined in section 81-1203. The
13 department shall calculate the amount of prior year investment income
14 earnings accruing to the fund and allocate such amount to the
15 subaccount for training grants under this subsection. The subaccount
16 shall also be used as provided in the Teleworker Job Creation Act.

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

20 Sec. 5. This act becomes operative on July 1, 2011.

21 Sec. 6. Original section 81-1201.21, Revised Statutes
22 Cumulative Supplement, 2010, is repealed.

23 Sec. 7. Since an emergency exists, this act takes effect
24 when passed and approved according to law.