

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB74

Hearing Date: Thursday February 04, 2021
Committee On: Revenue
Introducer: Geist
One Liner: Eliminate funding for the Nebraska Advantage Microenterprise Tax Credit Act and state intent regarding use of funds

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye: 8 Senators Albrecht, Bostar, Briese, Flood, Friesen, Lindstrom, Linehan, Pahls
Nay:
Absent:
Present Not Voting:

Oral Testimony:

Proponents:

Senator Suzanne Geist
Joseph Young
Rob Owen
Scott Niewohner
Jonathan Loutzenhiser
Eric Zeec
Tullen Mabbutt

Representing:

Introducer
Invest Nebraska
BioNebraska
Birds Eye Robotics
HoseAir
Thyreos INC
CompanyCam

Opponents:

Trenton Buhr
Michael Sothan
Sean Krebs
Lisa Schoenberger
Lauren Sheridan-Simonsen
John Hansen

Representing:

Center for Rural Affairs
Main Street Beatrice
Self
Self
City of Neligh, Village of Clearwater
Nebraska Farmers Union

Neutral:

Representing:

Submitted Written Testimony:

Proponents:

Jennifer Creager
Bruce Bohrer
Camdyn Kavan

Representing:

Greater Omaha Chamber
Lincoln Chamber of Commerce
OpenSky Policy Institute

Opponents:

Jim Reiff
Zane Francescato

Representing:

Nebraska Enterprise Fund
Seward County Chamber & Development Partnership

Neutral:

Bud Synhorst

Representing:

Lincoln Independent Business Association

Summary of purpose and/or changes:

LB74 will repeal the Nebraska Advantage Microenterprise Tax Credit Act. The requirement for a performance audit of the Nebraska Advantage Microenterprise Tax Credit Act is also repealed.

The Department of Revenue may approve applications for the Nebraska Advantage Microenterprise Tax Credit Act through December 31, 2021. The adjusted limit through calendar year 2020 is \$2 million plus tentative tax credit not granted by the end of the preceding year.

The adjusted limit in calendar year 2021 is \$1.9 million plus tentative tax credit not grant by the end of the preceding year.

The bill provides intent language indicating the \$2 million saved due to eliminating the Nebraska Advantage Microenterprise Tax Credit Act will be used to increase the appropriation to the Department of Economic Development for the Business Innovation Act. The \$2 million will be appropriated for fiscal year 2022-23 and each fiscal year thereafter.

The \$100,000 saved due to the reduction in tax credits authorized under Nebraska Advantage Microenterprise Tax Credit Act for calendar year 2021 will be appropriated to the Department of Revenue for fiscal 2021-22 to offset the costs incurred to implement LB74.

Lou Ann Linehan, Chairperson