

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 582

Introduced by Moser, 22.

Read first time January 17, 2023

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to economic development; to adopt the
2 Manufacturing Modernization Pilot Investment Act; and to declare an
3 emergency.
4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 8 of this act shall be known and may be
2 cited as the Manufacturing Modernization Pilot Investment Act.

3 Sec. 2. The purpose of the Manufacturing Modernization Pilot
4 Investment Act is to partner with the manufacturing sector by providing
5 one-time grants to eligible manufacturing operations to assist such
6 operations with capital investments in qualified investments that will
7 increase, and lead to the adoption and integration of, smart technologies
8 and increased productivity in existing manufacturing operations located
9 in this state and that will provide a positive economic impact in the
10 State of Nebraska.

11 Sec. 3. For purposes of the Manufacturing Modernization Pilot
12 Investment Act:

13 (1) Department means the Department of Economic Development;

14 (2) Eligible manufacturing operation means a manufacturer of goods
15 at a facility located in this state that:

16 (a) Has a North American Industry Classification System number
17 within the manufacturing sector range of 31 to 33;

18 (b) Has been an established business for a minimum of three years
19 prior to the date of application for the grant;

20 (c) Derives a minimum of fifty-one percent of the manufacturer's
21 gross revenue from the sale of manufactured goods;

22 (d) Employs a minimum of three full-time employees; and

23 (e) Demonstrates the ability to provide private matching financial
24 support for the manufacturer's manufacturing modernization investment
25 project on a one-to-one basis;

26 (3) Grant means a manufacturing modernization investment grant
27 issued under the Manufacturing Modernization Pilot Investment Act in an
28 amount up to, but not to exceed, two hundred fifty thousand dollars from
29 the Manufacturing Modernization Pilot Investment Fund; and

30 (4) Manufacturing modernization investment project means a project
31 that is intended to lead to the adoption and integration of smart

1 technologies into existing manufacturing operations located in the state
2 by mitigating the risk to the manufacturer of significant technology
3 investments. Manufacturing modernization investment project includes, but
4 is not limited to, an investment in specialized hardware, software, or
5 other equipment intended to assist a manufacturer in increasing the
6 manufacturer's productivity, efficiency, and competitiveness.

7 Sec. 4. (1) Beginning October 1, 2023, through November 1, 2023, an
8 eligible manufacturing operation may apply to the department for a grant.
9 The application shall include, but not be limited to, the following
10 information:

11 (a) A description of the manufacturing modernization investment
12 project;

13 (b) The estimated cost of the manufacturing modernization investment
14 project; and

15 (c) Documentation on the amount of private matching funds available
16 for the manufacturing modernization investment project that have been
17 received or will be received by the eligible manufacturing operation.
18 Such amount shall be at least equal to the amount of any grant received
19 under the act. The documentation provided under this subdivision does not
20 need to identify the names of the private sources of funding.

21 (2) The department shall consider applications in the order in which
22 they are received. If an applicant is an eligible manufacturing operation
23 and otherwise qualifies for a grant, the department shall, subject to
24 subsection (3) of this section, approve the application and notify the
25 applicant of the approval.

26 (3) The department may approve applications within the limits of
27 available funding under the Manufacturing Modernization Pilot Investment
28 Act. The amount of any grant approved shall be equal to the amount of
29 funds supplied by the eligible manufacturing operation from private
30 sources, as documented under subdivision (1)(c) of this section, except
31 that no grant shall be for more than two hundred fifty thousand dollars.

1 Sec. 5. (1) The department shall not approve an application for a
2 manufacturing modernization investment project that was commenced prior
3 to the date of the application.

4 (2) Any eligible manufacturing operation that no longer meets the
5 requirements of subdivision (2) of section 3 of this act shall repay any
6 grant funds received under the Manufacturing Modernization Pilot
7 Investment Act.

8 Sec. 6. The Manufacturing Modernization Pilot Investment Fund is
9 created. The fund shall consist of transfers authorized by the
10 Legislature and any gifts, grants, or bequests from any source, including
11 federal, state, public, and private sources. The fund shall be
12 administered by the department and shall be used to make grants under the
13 Manufacturing Modernization Pilot Investment Act. Any money in the fund
14 available for investment shall be invested by the state investment
15 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska
16 State Funds Investment Act.

17 Sec. 7. It is the intent of the Legislature to appropriate XXXX
18 dollars from the General Fund for purposes of carrying out the
19 Manufacturing Modernization Pilot Investment Act.

20 Sec. 8. The department may adopt and promulgate rules and
21 regulations to carry out the Manufacturing Modernization Pilot Investment
22 Act.

23 Sec. 9. Since an emergency exists, this act takes effect when
24 passed and approved according to law.