

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 286

FINAL READING

Introduced by Urban Affairs Committee: McKinney, 11, Chairperson;
Cavanaugh, J., 9; Clouse, 37; Quick, 35; Rountree, 3;
Sorrentino, 39.

Read first time January 15, 2025

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to economic development; to amend sections
- 2 81-12,110 and 81-12,208, Reissue Revised Statutes of Nebraska; to
- 3 provide an application deadline under the Nebraska Innovation Hub
- 4 Act; to change an application deadline under the Nebraska Rural
- 5 Projects Act; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Section 81-12,110, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 81-12,110 (1) Except as provided in subsection (3) of this section,
4 a private nonprofit corporation or an inland port authority created under
5 the Municipal Inland Port Authority Act may apply to the director to
6 become designated as an iHub. The director shall accept applications
7 filed under this section through December 31, 2025. The application shall
8 include, but not be limited to, the following:

9 (a) A statement of purpose;

10 (b) A signed statement of cooperation and a description of the roles
11 and relationships of each iHub partner;

12 (c) A clear explanation and map conveying the iHub area;

13 (d) A clearly identified central location for the iHub, which shall
14 be a physical location;

15 (e) A complete budget, including a description of secured funds,
16 pending funds, and potential future funding sources;

17 (f) A clearly articulated iHub management structure and plan, which
18 may include a description of the capabilities, qualifications, and
19 experience of the proposed management team, team leaders, or key
20 personnel who are critical to achieving the proposed objectives;

21 (g) A list of iHub assets and resources;

22 (h) A clearly articulated industry focus area of the iHub, including
23 industry sectors or other targeted areas for development and growth;

24 (i) A list of specific resources available to support and guide
25 startup companies;

26 (j) A five-year plan, which shall include a clearly articulated list
27 of goals to be achieved with the designation of the iHub;

28 (k) Defined performance standards agreed upon by the applicant and
29 the proposed iHub partners, which may include expectations for job
30 development and business creation;

31 (l) Evaluation procedures that will be used to measure the level of

1 achievement for each stated goal;

2 (m) A plan for sustainability;

3 (n) Demonstrated experience with innovation programs, such as
4 involvement with technology commercialization;

5 (o) Evidence of community engagement and support; and

6 (p) An application fee of one thousand dollars. The director shall
7 remit all application fees received under this section to the State
8 Treasurer for credit to the Innovation Hub Cash Fund.

9 (2) The department shall establish a weighted scoring system to
10 evaluate applications for iHub designations with priority given to start-
11 up nonprofits and inland port authorities expressing new and innovative
12 ideas. Such weighted scoring system shall consider, at a minimum:

13 (a) Whether the iHub is committed to serving underrepresented
14 communities in the proposed iHub area;

15 (b) Whether the iHub has a plan for marketing and outreach to
16 underrepresented communities in the proposed iHub area;

17 (c) Whether the iHub has signed statements of cooperation with at
18 least three proposed iHub partners; and

19 (d) The quality of the iHub's five-year plan.

20 (3) The director shall determine whether or not to approve the
21 requested iHub designation within forty-five days after receiving the
22 application. Each iHub designation shall be for a term of five years. An
23 applicant that has received a grant under subdivision (4)(a) of section
24 81-12,241 shall not qualify for designation as an iHub.

25 (4) The iHub designation shall not be official until a memorandum of
26 understanding is entered into by the applicant and the director. The
27 memorandum of understanding shall include the goals and performance
28 standards identified in the application and other related requirements as
29 determined by the director.

30 (5) An iHub area may overlap with another iHub area if there is a
31 clear distinction between the industry focus areas of the iHubs involved,

1 except that no iHub located within a city of the metropolitan class shall
2 be located within three miles of another iHub. This subsection does not
3 apply to any inland port authority designated as an iHub.

4 (6) The department shall set guidelines for approval, designation,
5 operation, and reporting of iHubs.

6 (7) An iHub shall annually report to the director on its progress in
7 meeting the goals and performance standards as described in the iHub
8 application and the implementing memorandum of understanding with the
9 director. A copy of the report shall also be submitted electronically to
10 the chairperson of the Urban Affairs Committee of the Legislature. The
11 report shall also include information regarding the number of businesses
12 served, the number of jobs created, and the amount of funds raised by the
13 iHub. The director shall annually post the information from these reports
14 on the department's website and provide notice to the Governor and the
15 Legislature that the information is available on the website.

16 **Sec. 2.** Section 81-12,208, Reissue Revised Statutes of Nebraska, is
17 amended to read:

18 81-12,208 (1) In order to be eligible to receive the matching funds
19 allowed in the Nebraska Rural Projects Act, the applicant shall file an
20 application with the director, on a form developed by the director,
21 requesting an agreement.

22 (2) The application shall:

23 (a) Identify the project, including the qualified location of such
24 project;

25 (b) State the estimated, projected amount of total new investment at
26 the project, including the estimated, projected amount of applicant
27 resources;

28 (c) State the E-Verify number or numbers that will be used by the
29 applicant for employees at the qualified location as provided by the
30 United States Citizenship and Immigration Services; and

31 (d) Contain a nonrefundable application fee of one thousand dollars.

1 The director shall collect all application fees and shall remit the fees
2 to the State Treasurer for credit to the Nebraska Rural Projects Fund.

3 (3) An application must be complete to establish the date of
4 application. An application shall be considered complete once it contains
5 the items listed in subsection (2) of this section.

6 (4) Once satisfied that the application is complete and that the
7 applicant is eligible to receive the matching funds allowed in the
8 Nebraska Rural Projects Act, the director shall approve the application.

9 (5) There shall be no new applications filed under this section
10 after December 31, 2025 ~~June 30, 2023~~. Any complete application filed on
11 or before December 31, 2025 ~~June 30, 2023~~, shall be considered by the
12 director and approved if the location and applicant qualify for approval.
13 Agreements may be executed with regard to any complete application filed
14 on or before December 31, 2025 ~~June 30, 2023~~.

15 **Sec. 3.** Original sections 81-12,110 and 81-12,208, Reissue Revised
16 Statutes of Nebraska, are repealed.