

LEGISLATIVE BILL 286

Approved by the Governor March 17, 2025

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

A BILL FOR AN ACT relating to economic development; to amend sections 81-12,110 and 81-12,208, Reissue Revised Statutes of Nebraska; to provide an application deadline under the Nebraska Innovation Hub Act; to change an application deadline under the Nebraska Rural Projects Act; and to repeal the original sections.

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

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

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

- (a) A statement of purpose;
- (b) A signed statement of cooperation and a description of the roles and relationships of each iHub partner;
- (c) A clear explanation and map conveying the iHub area;
- (d) A clearly identified central location for the iHub, which shall be a physical location;
- (e) A complete budget, including a description of secured funds, pending funds, and potential future funding sources;
- (f) A clearly articulated iHub management structure and plan, which may include a description of the capabilities, qualifications, and experience of the proposed management team, team leaders, or key personnel who are critical to achieving the proposed objectives;
- (g) A list of iHub assets and resources;
- (h) A clearly articulated industry focus area of the iHub, including industry sectors or other targeted areas for development and growth;
- (i) A list of specific resources available to support and guide startup companies;
- (j) A five-year plan, which shall include a clearly articulated list of goals to be achieved with the designation of the iHub;
- (k) Defined performance standards agreed upon by the applicant and the proposed iHub partners, which may include expectations for job development and business creation;
- (l) Evaluation procedures that will be used to measure the level of achievement for each stated goal;
- (m) A plan for sustainability;
- (n) Demonstrated experience with innovation programs, such as involvement with technology commercialization;
- (o) Evidence of community engagement and support; and
- (p) An application fee of one thousand dollars. The director shall remit all application fees received under this section to the State Treasurer for credit to the Innovation Hub Cash Fund.

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

- (a) Whether the iHub is committed to serving underrepresented communities in the proposed iHub area;
- (b) Whether the iHub has a plan for marketing and outreach to underrepresented communities in the proposed iHub area;
- (c) Whether the iHub has signed statements of cooperation with at least three proposed iHub partners; and
- (d) The quality of the iHub's five-year plan.

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

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

(5) An iHub area may overlap with another iHub area if there is a clear distinction between the industry focus areas of the iHubs involved, except that no iHub located within a city of the metropolitan class shall be located within three miles of another iHub. This subsection does not apply to any inland port authority designated as an iHub.

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

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

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

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

(2) The application shall:

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

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

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

(d) Contain a nonrefundable application fee of one thousand dollars. The director shall collect all application fees and shall remit the fees to the State Treasurer for credit to the Nebraska Rural Projects Fund.

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

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

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

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