

**ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021**  
**COMMITTEE STATEMENT**  
**LB450**

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**Hearing Date:** Monday February 01, 2021  
**Committee On:** Business and Labor  
**Introducer:** McKinney  
**One Liner:** Adopt the Nebraska Innovation Hub Act

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**Roll Call Vote - Final Committee Action:**

Advanced to General File with amendment(s)

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**Vote Results:**

<b>Aye:</b>	4	Senators Blood, Hansen, M., Hunt, Lathrop
<b>Nay:</b>		
<b>Absent:</b>		
<b>Present Not Voting:</b>	3	Senators Gragert, Halloran, Hansen, B.

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**Oral Testimony:**

**Proponents:**

Senator Terrell McKinney

**Representing:**

Introducer

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

LB450 would establish the Nebraska Innovation Hub Act and establish iHub(s) within the state in an effort to provide small businesses with entrepreneurial resources.

**Section by Section Summary:**

Sec 1: Known as the Nebraska Innovation Hub Act

Sec 2: Purpose of the act is to support technology-driven entrepreneurial activity through venture investment and community resources.

Sec 3: Eligible Business:

- 1) Fully accredited institution of higher learning
- 2) Private nonprofit engaged in economic development
- 3) County, city, village economic development department
- 4) Public economic development institution

iHub: A partnership between interrelated firms, local governments, economic development organization, educational entities, and industries that collectively drive economic growth within a defined geographic area.

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Sec 4: iHub designation will be done by the NE Department of Economic Development

Sec 5: A potential iHub must provide to the Department: A statement of purpose, statement of cooperation between iHub partners, a designated iHub coordinator, a map of iHub's physical boundary, identified central location for the iHub, benchmarks for achievement, budget, list of incentives and supported programs, commercial market focus and plan, management structure and plan, list of assets, targeted industries, list of resources available to startup companies, list of goals, expectations for jobs and business creation, performance standards, evaluation procedure, sustainability plan, organizational experience, technology experience, IP experience, community engagement.

Sec 6: An iHub must include at least one, a major university or research center, economic development organization, and 4 additional members.

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**Explanation of amendments:**

AM739 defines an Economic redevelopment area in reference to the Nebraska Innovation Hub Act.

Sec 3. (4) Economic redevelopment area means an area in the State of Nebraska in which:

- (a) The average rate of unemployment in the area during the period covered by the most recent federal decennial census or American Community Survey 5-Year Estimate by the United States Bureau of the Census is at least one hundred fifty percent of the average rate of unemployment in the state during the same period; and
- (b) The average poverty rate in the area is twenty percent or more for the federal census tract in the area

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Ben Hansen, Chairperson