

ONE HUNDRED SEVENTH LEGISLATURE - SECOND SESSION - 2022
COMMITTEE STATEMENT
LB729

Hearing Date: Wednesday February 09, 2022
Committee On: Revenue
Introducer: Lindstrom
One Liner: Adopt the Quick Action Closing Fund Act

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye:	6	Senators Albrecht, Bostar, Briese, Lindstrom, Linehan, Pahls
Nay:	2	Senators Friesen, Flood
Absent:		
Present Not Voting:		

Oral Testimony:

Proponents:

Senator Brett Lindstrom
Jennifer Creager

Representing:

Introducer
Greater Omaha Chamber, Nebraska Chamber of
Commerce & Industry, Lincoln Chamber of Commerce,
Nebraska Bankers Association

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB729 creates the Quick Action Closing Fund Act. The Act would allow the Governor to expend funds for the purposes of economic development and related infrastructure development if expenditure of such funds would likely be a determining factor in locating a high-impact business project or facility in the state or in retaining such project or facility within the state.

Such funds could be provided to business activities that would qualify under the Imagine Act. The Department of Economic Development will administer the program. It will conduct an evaluation of the business to determine whether the applicant meets the requirements for receiving funds and then make recommendations to the Governor.

Factors to be included in the evaluation are:

- The number of jobs to be created by a new business establishment or retained by an existing business establishment;
 - The average salary of jobs to be created or retained;
 - The total capital investment to be made;
 - The likelihood of other business establishments locating within the same vicinity or within the state as a result of the qualified business;
 - The impact on the economy of the area or community in which the qualified business activity is or will be conducted; and
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- Such other factors as the Governor and the department determine to be relevant.

If the Governor approves the expenditure of funds, an agreement must be signed to designate the amount of funds, when the funds will be disbursed, performance conditions to receive the funds, validation of such performance and provisions for recapture.

If any or all of the funds are to be used for capital improvements, then the funds are deemed to be held in trust for the State.

If the capital improvement is sold, the business must either repay the money awarded, with interest, or share a proportionate amount of any profit with the state.

Funding may be provided by the Legislature, by gifts, grants or other donations.

Explanation of amendments:

The amendment inserted language that the Governor is to consult with the Speaker of the Legislature, Chair of the Executive Board, Chair of the Appropriations Committee, and Chair of the Revenue Committee before he/she distributes the money.

Lou Ann Linehan, Chairperson