

**ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023**  
**COMMITTEE STATEMENT**  
**LB617**

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**Hearing Date:** Tuesday January 31, 2023  
**Committee On:** Banking, Commerce and Insurance  
**Introducer:** McDonnell  
**One Liner:** Create the Economic Development Cash Fund to award a grant relating to the federal Creating Helpful Incentives to Produce Semiconductors (CHIPS) for America Act

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

Advanced to General File

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**Vote Results:**

**Aye:** 8 Senators Aguilar, Ballard, Bostar, Dungan, Jacobson, Kauth, Slama, von Gillern  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Testimony:**

**Proponents:**

Senator Mike McDonnell  
Thomas Goldberg  
Randy Schmailzl  
Bryan Slone

**Representing:**

Nebraska Legislature  
NANTERO  
Metro Community College  
Nebraska State Chamber / Greater Omaha Chamber /  
Lincoln Chamber of Commerce

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

\* ADA Accommodation Written Testimony

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

LB 617 is a bill that provides funding to the Department of Economic Development (DED) to provide for economic development in the area of microchip fabrication and microelectronics manufacturing in Nebraska. The bill would provide, section by section, as follows:

Section 1 amends section 84-612 by adding a subsection requiring the State Treasurer to transfer twenty million dollars from the Cash Reserve Fund to the Economic Development Cash Fund on or after July 15, 2023, or as soon thereafter as administratively possible, and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Section 2 creates a new section that creates the Economic Development Cash Fund. It also requires that the (DED)

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administer the fund. Such administration includes providing grants to qualifying educational institutions in order to offer micro credentials to support education expansion, curricula development, and staff hires to meet demand for microchip fabrication and microelectronics manufacturing in Nebraska. It also states that the fund shall include money transferred by the Legislature and gifts, grants, or bequests from any source, including money remitted to the fund from any other federal, state, public, and private sources. It also states that any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Section 3 repeals the original section being amended.

Section 4 is an emergency provision.

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Julie Slama, Chairperson