

Invest Nebraska Act (LB 620), Qualified Activity Reported in 2008

The Invest Nebraska Act requires a separate application subject to approval by the Invest Nebraska Board. The members of the board were the Governor, the State Treasurer, and the chairperson on the Nebraska Investment Council. A qualifying business selected one of the following options in their application:

1. \$10 million investment and 25 new FTE employees whose annual wage exceeds the Nebraska average annual wage. This option is only available for projects located outside of counties with 100,000 or more in population.
2. \$50 million investment and 500 new FTE employees OR \$100M and 250 new FTE employees. The new employees' annual wage must exceed 110% of the Nebraska average annual wage.
3. \$200 million investment and 500 new FTE employees, whose annual wage exceeds 120% of the Nebraska average annual wage.

If the company reaches and maintains the selected level, they are eligible for benefits. An eligible company earns a wage benefit credit from zero to five percent of the taxable wages paid to new employees earning more than the required wage level. A company selecting Option 3 may receive, in lieu of a wage benefit credit, an alternate investment tax credit equal to 15 percent of the investment. The company is to expend at least the value of the wage benefit credit, or alternate investment tax credit, for company training programs, employee benefit programs, educational institution training programs, or workplace safety programs.

The agreement specifies the option elected and the available benefits. The wage benefit credit and the alternate investment tax credit may be used for 100% of the income tax liability. The wage benefit credit may also be used to retain a portion of the Nebraska individual income tax withholding employer liability.

Fourteen applications were approved by the Invest Nebraska Board and all LB620 agreements have been signed. No new applications could be filed after June 1, 2005, without further authorization from the Legislature.

As of December 31, 2008, qualified investment and new jobs were reported and credits were allowed. However, due to the small number of companies receiving benefits, and to maintain confidentiality, no information is reported.

Agreements Signed in 2001, Still in Effect

Company Name	Project Type	Project Location
1. Union Pacific Railroad Company	\$200M + 500 FTE	Omaha

Agreements Signed in 2003, Still in Effect

Company Name	Project Type	Project Location
1. Natura Manufacturing, Inc.	\$10M + 25 FTE	Fremont
2. Wal-Mart Stores East, Inc.	\$10M + 25 FTE	North Platte

Agreements Signed in 2004, Still in Effect

Company Name	Project Type	Project Location
1. Beef Products, Inc.	\$15M + 25 FTE	South Sioux City
2. Degussa Corporation	\$75M + 30 FTE	Blair
3. Platte Valley Fuel Ethanol, LLC	\$55M + 32 FTE	Central City and Columbus
4. Trenton Agri Products, LLC	\$32M + 27 FTE	Trenton

Agreements Signed in 2005, Still in Effect

Company Name	Project Type	Project Location
1. E Energy Adams, LLC	\$68M + 32 FTE	Adams
2. NE Colorado Cellular, Inc.	\$11.5M + 32 FTE	Grand Island, Hastings, Norfolk, North Platte, Scottsbluff, and other locations in western and central Nebraska
3. S W Energy, LLC	\$55M + 44 FTE	McCook
4. Standard Iron, Inc.	\$10.6M + 31 FTE	Grand Island

Agreements Signed in 2006, Still in Effect

Company Name	Project Type	Project Location
1. Siouxland Ethanol, LLC	\$57M + 35 FTE	Jackson