



**Reshoring
Institute**

NEBRASKA

State Economic Survey and Incentive Comparison

CONTACT INFORMATION

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US State Name: **Nebraska**

State Abbreviation: NE

State Economic Development Web
Address:

<https://opportunity.nebraska.gov/>

State Economic Development Email
Address: www.nebraska.gov

State Economic Development Phone
Number: : **(402) 471-3111**

INCOME AND OUTPUT

This section highlights the state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

Gross Domestic Product, in millions: **\$115.3** (Bureau of Economic Analysis, 2016)

Gross Domestic Product % Growth: **1.7%** (2015-2016, Bureau of Economic Analysis)

Per Capita Personal Income (**GDP/Population*) *This is often used as a standard of living measurement:* **\$49,636** (2016, Bureau of Economic Analysis)

Per Capita Personal Income % Change: **2.1%** (2015-2016, Bureau of Economic Analysis)

WORKFORCE

This section gives manufacturers an idea of the industry's environment in the state, including the makeup of the available workforce, the labor requirements, and recent trends.

Total Population: **1,907,116** (2016, US Census)

Total Civilian Labor Force: **1,006,237** (July 2017, NE Department of Labor, seasonally adjusted numbers)

Total Number of Persons Employed: **978,207** (July 2017, NE Department of Labor, seasonally adjusted)

Total Number of Persons Unemployed: **28,030** (July 2017, NE Department of Labor, seasonally adjusted)

Unemployment Rate %: **2.8%** (July 2017, NE Department of Labor, seasonally adjusted)

Manufacturing Employment: **96,982** (July 2017, NE Department of Labor, Jan-Mar Average)

Professional and Business Services Employment: 136,917 (July 2017, NE Department of Labor, Jan-Mar Average)

State Right-to-Work Law Y/N: **Yes**

Large Factory Openings during Previous year: N/A

Large Factory Closures during Previous year: N/A

EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

% High School Diploma or More: **90.7%** (2015 Census Bureau, ACS)

% Bachelor's Degree or Higher: **29.3%** (2015 Census Bureau, ACS)

Enrollment in Higher Education Institutions: **136,917** (2016 NE Coordinating Commission for Postsecondary Education)

Science and Engineering Graduate Students: **25,766** (2016 NE Coordinating Commission for Postsecondary Education)

List of High school, College, or University Manufacturing Partnership Programs *These are partnerships with manufacturers to help train future employees in certain skills:*

List of Additional Manufacturing Training Programs:

List of Future Planned Manufacturing Training Programs *If known please include expected implementation date:*

COST OF DOING BUSINESS

This section highlights the costs associated with doing business in the state including taxes, wages, insurance, and energy expenses.

State Corporate Income Tax %: **5.58%; 7.81%**

State Individual Income Tax %: **2.46%; 3.51%; 5.01%; 6.84%**

State Level Sales Tax %: **5.5%**

State Use Tax: **5.5%**

Unemployment Insurance Tax % (estimate): **1.25% of taxable wages** for a new manufacturing employer, can qualify for a lower rate in as little as one year.

Additional Relevant Taxes:

Workers' Compensation Employer Insurance Costs per \$100 of Payroll: **\$1.36** (2013, National Academy of Social Insurance)

Average Industrial Electric Rate: 8.91 cents per kwh (2016, EIA, US Dept of Energy)

Average Price of Natural Gas Delivered to Industrial Consumers: \$3.95 (2016, EIA, US Dept of Energy)

Average Hourly Earnings of Production Workers in Manufacturing: \$17.80 (2016, BLS, CES Data)

Minimum Wage (current): \$9.00

Pending Legislation Regarding Minimum Wage: No

If you answered YES to the above question, What is the proposed minimum wage?:

If you answered YES to the above question, What is the legislative bill number?:

ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of the state in terms of business innovation through awards, venture capital, and intellectual property attainment.

Total Small Business Innovation Research (SBIR) Awards *Found at: https://www.sbir.gov/reports/state-summary?year=2016&program_tid=105791*: **4 Phase I awards for \$963,405 and 2 Phase II awards for \$1,726,294. Total 6 awards for \$2,689,699**

Total Small Business Technology Transfer (STTR) Awards *Found at: https://www.sbir.gov/reports/state-summary?year=2016&program_tid=105792*: **1 Phase I award for \$987,969 and 3 Phase II awards for \$742,058. Total 4 awards for \$1,730,027**

Venture Capital Deals, in millions: **11 deals, \$31.1 million** (PwC/NVCA MoneyTree Venture Capital Report, 2016)

% of State with Internet Accessibility: **99.5%** (2014, Nebraska Information Technology Commission, Broadband Initiative, Nebraska Public Service Commission)

Newly Registered Businesses: **N/A**

Newly Registered Patents: **313** (2015, USPTO, Patent Counts By Country, State, and Year – Utility Patents)

FOREIGN DIRECT INVESTMENT

This section provides insight into the amount of current investment overseas and the potential state market for manufacturers to reshore.

Foreign Direct Announcements: **55**

Foreign Direct Employment: **32,500** (2017 BEA)

Foreign Direct Investment, in millions: **\$7,259.6** (between 2009 and 2016)

TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of the state and what a company can expect in terms of the logistics of shipping their product.

Number of major 2 or 4-Lane Highways running through state: **1** Interstate, **13** federal highways

Number of major railways going through state: **2** BNSF, Union Pacific

Number of major ports connected to state: **0**

Number of airports throughout state: **232** (2016, NE Dept of Transportation)

Number of International airports throughout state: **0**

Number of distribution centers: **63**

Number of foreign trade zones: **2** FTZ No 19 (Omaha) and FTZ No.59 (Lincoln)

INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

Pending Legislation

Proposed Incentives Currently Pending Approval (Y/N): **Yes**

If you answered YES above, please describe the pending incentives including the bill number if applicable: **LB546**—Simplifies administration, applications and verification processes of the Nebraska Advantage Act.

LB 557—Replace the Nebraska Advantage Act with the Great Opportunities Act.

Cash Incentives

Does the state provide any CASH incentives? (Y/N): **No**

If you answered YES above, please provide details of this incentive including the contact information and website if applicable:

State Tax Credits

Does the state provide any Tax Credit incentives? (Y/N): **Yes**

If you answered YES above, please describe the available tax credits: Compensation credits and investment credits through the **Nebraska Advantage Act**. <https://opportunity.nebraska.gov/wp-content/uploads/2016/06/Nebraska-Advantage.pdf>

State Tax Exemptions

Does the state provide any Tax Exemptions? (Y/N):

If you answered YES above, please describe the available tax exemptions: **Manufacturing machinery and equipment and energy used in manufacturing.**

State Grants

Does the state provide any Grant incentives? (Y/N): **Yes**

If you answered YES above, please describe the available grants: Nebraska has a number of programs that offer grants for economic development projects. These include the Site and Building Development program which provides funds to eligible businesses for land and building acquisition, construction, site preparation, infrastructure improvements, and other uses. <http://www.neded.org/program/site-and-building-development-fund-sbdf/>

State Loans

Does the state provide any Low-Interest Financing incentives? (Y/N): **No**

If you answered YES above, please describe the available financing opportunities:

Training Programs

Does the state provide any Specialized Training Program incentives? (Y/N): **Yes**

If you answered YES above, please describe the available training programs: **Customized Job Training** program. Provides grants to eligible businesses for on-the-job training, classroom training at job site or at a local community college, tuition & fees, training manuals. <https://opportunity.nebraska.gov/program/customized-job-training/>

Zoning

Does the state provide any Special Zoning incentives? (Y/N): **Yes**

If you answered YES above, please describe the available special zoning opportunities: **Enterprise Zones**

State Marketing and Promotions

Does the state provide any Marketing and Promotional incentives? (Y/N): **No**

If you answered YES above, please describe the available special marketing or promotional opportunities:

Innovation Centers

Does the state have Innovation Centers or Additional Resource available for companies? (Y/N): **No**

If you answered YES above, please describe the available innovation centers or additional resources:

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees "Truth in Advertising" regulations including promotion or disclosure of products displaying "Made in USA" labeling. FTC requires products advertised as "Made in USA" be "all or virtually all" made in the U.S. "all or virtually all" means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Does the state have any specific requirements for labeling products "Made in USA"? (Y/N): **No**

If you answered YES to the question above, what are the requirements for labeling products "Made in USA":

Is there pending legislation regarding these requirements? (Y/N): **No**

If you answered YES to the question above, please describe the proposed legislation including the bill number:

Made In YOUR STATE Requirements

Does your state have any specific requirements for labeling products "Made in YOUR STATE"? (Y/N): **No**

If you answered YES to the question above, what are the requirements for labeling products "Made in YOUR STATE":

Is there pending legislation regarding these requirements? (Y/N): **No**

If you answered YES to the question above, please describe the proposed legislation including the bill number:

Is there an organization or entity that monitors state labeling? (Y/N): **No**

If you answered YES to the question above, please provide the name and contact information for the the organization or entity:

Date of Submission 9/22/2017

Thank you for your time. Please email your responses to alevy@reshoringinstitute.org and your responses will be recorded and available online for review at www.reshoringinstitute.org.