



STATE *of* NEBRASKA
OFFICE OF THE GOVERNOR
LINCOLN

MEMORANDUM FOR THE DIRECTOR OF ECONOMIC DEVELOPMENT

THE DIRECTOR OF ADMINISTRATIVE SERVICES

THE STATE BUDGET ADMINISTRATOR

FROM: GOVERNOR JIM PILLEN

SUBJECT: Strengthening the Business Innovation Act

By the power vested in me as Governor by the Constitution and laws of the State of Nebraska, I hereby direct:

1. The Department of Economic Development ("DED") shall immediately restore funding and operational activities under the Nebraska Business Innovation Act ("BIA"), Neb. Rev. Stat. §§ 81-12,152 *et seq.*, as such funding and operational activities were being carried out prior to the DED-recommended pause to BIA to assess its performance.
2. DED shall develop and implement a plan to allocate the maximum possible portion of funds appropriated to it for BIA activities to contracted private sector partner(s) which can more efficiently and cost-effectively administer such funds, including, but not limited to, Invest Nebraska, and correspondingly reduce the state government resources currently devoted to such administration directly out of DED. To the extent modification and amendment of current contracts with private sector partner(s) is necessary to effectuate this

directive, DED shall negotiate with such partner(s) to do so, subject to the provisions of the Nebraska public procurement laws.

3. The State Budget Administrator shall include in the recommendations to be made to the Legislature for mid-biennium adjustments to the 2025-2027 biennium budget an increase in the total appropriation for BIA activities to \$15 million (fifteen million dollars), and source such appropriations to reduce reliance on the General Fund to the minimum extent possible beginning in FY 2026-2027. The State Budget Administrator will thereafter maintain such appropriations in the 2027-2029 Governor's biennial budget recommendations.
4. The Director of Administrative Service shall render all assistance, support, and resources from the Department of Administrative Services ("DAS") necessary to carry the above-stated directives into effect.

Dated: December 22, 2025