

# **One Hundred Seventh Legislature - Second Session - 2022**

## **Introducer's Statement of Intent**

### **LB1014**

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**Chairperson: Senator John Stinner**

**Committee: Appropriations**

**Date of Hearing: January 25, 2022**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 1014, introduced by the Speaker at the request of the Governor, sets forth the Governor's recommendation to appropriate the federal American Rescue Plan Act of 2021 ("ARPA") funds. The State and Local Fiscal Recovery Program ("SLFRP") allocated funding to both state and local governmental entities. The State of Nebraska, 93 counties, 4 metro cities, and 525 localities identified as "non-entitlement units of government" ("NEUs") were eligible for a total award of \$1.7 billion.

The State of Nebraska has received \$520 million. An additional \$520 million is anticipated pending certification by the U.S. Treasury Department which is expected no later than May 2022. These State and Local Fiscal Recovery Funds have specific federal requirements for their use which are outlined in federal statute, a final U.S. Treasury Department regulation, and additional guidance documents that have been issued by the Treasury Department.

The authorized uses for these federal funds fall into five broad categories:

1. **Support Public Health Response:** COVID-19 mitigation efforts, medical expenses, behavioral healthcare and certain public health and safety staff.
2. **Negative Economic Impacts:** Respond to negative economic impacts to workers, families, small businesses and non-profits, or to other impacted industries; rehiring public sector workers.
3. **Replace Revenue Loss:** Provide for government services in the amount of general fund revenue reduction experienced in the pandemic. This item was evaluated based upon guidance provided by the U.S. Treasury Department and the State of Nebraska is not currently eligible for this provision.
4. **Premium Pay for Essential Workers:** Additional support to those workers who bear the greatest health risks with funds eligible retroactive to January 27, 2020.
5. **Water, Sewer, and Broadband Infrastructure:** Necessary investments to improve access to clean drinking water, wastewater, and stormwater infrastructure; provide new and expanded broadband access to underserved and unserved locations.

LB 1014 recommends appropriation of the entire \$1,040,000,000 state allocation of ARPA funds. Each appropriation recommendation in LB 1014 qualifies under one or more of the federally authorized use categories.

The bill contains the emergency clause and recommends appropriations in both Fiscal Year 2021-22 and Fiscal Year 2022-2023.

Detailed information regarding the Governor's recommendations may be found in the State of Nebraska, Mid-Biennium Budget Adjustments - 2021-2023 Biennium, which may be viewed on the Department of Administrative Services State Budget Division's website at [https://das.nebraska.gov/budget/publications/docs/2021-2023/pdf/Mid-BienniumBook/Governor's\\_Budget\\_Recommendations\\_Mid-Biennium\\_Budget\\_Adjustments\\_2021-2023\\_Biennium.pdf](https://das.nebraska.gov/budget/publications/docs/2021-2023/pdf/Mid-BienniumBook/Governor's_Budget_Recommendations_Mid-Biennium_Budget_Adjustments_2021-2023_Biennium.pdf)

**Principal Introducer:** \_\_\_\_\_

**Senator Speaker Hilgers, 21**