

PREPARED BY: Suzanne Houlden  
 DATE PREPARED: February 10, 2022  
 PHONE: 402-471-0057

**LB 721**

Revision: 00

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)</b>				
	<b>FY 2022-23</b>		<b>FY 2023-24</b>	
	<b>EXPENDITURES</b>	<b>REVENUE</b>	<b>EXPENDITURES</b>	<b>REVENUE</b>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$60,000,000			
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$60,000,000</b>			

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 721 appropriates \$60,000,000 in federal American Rescue Plan Act of 2021 (ARPA) funds to the University of Nebraska to establish a University of Nebraska Medical Center (UNMC) facility in Kearney dedicated to Rural Health. This proposal requires \$25,000,000 in private or other matching funds.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB:	721 (Revised)	AM:	AGENCY/POLT. SUB: University of Nebraska
REVIEWED BY:	Gary Bush	DATE:	1/14/22 PHONE: (402) 471-4161
COMMENTS: Agree with University that the bill provides ARPA federal funds and that these funds are to be matched by the University. The language in the bill does not make a valid appropriation and could not be implemented as written. The maximum funding available under the federal Coronavirus State Fiscal Recovery Fund is \$1.04 billion, of which only \$520 million is currently available. Appropriation of these funds must be balanced in aggregate in order to avoid over obligation.			

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2022

**LB <sup>(1)</sup> 0721 Appropriate funds for the University of Nebraska Medical Center Rural Health Complex** **FISCAL NOTE**

State Agency OR Political Subdivision Name:<sup>(2)</sup> University of Nebraska System

Prepared by:<sup>(3)</sup> Chris Kabourek Date Prepared:<sup>(4)</sup> 01/13/2022 Phone:<sup>(5)</sup> (402) 472-7102

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	FY 2022-23		FY 2023-24	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0.00	0.00	0.00	0.00
CASH FUNDS	0.00	0.00	0.00	0.00
FEDERAL FUNDS	60,000,000.00	0.00	0.00	0.00
OTHER FUNDS	25,000,000.00	0.00	0.00	0.00
TOTAL FUNDS	85,000,000.00	0.00	0.00	0.00

Explanation of Estimate:

LB 721 would appropriate \$60 million in federal funds from the State of Nebraska's State and Local Fiscal Recovery Funds allocated under the America Rescue Plan Act of 2021 to the University of Nebraska System for the University of Nebraska Rural Health Education Building. Under LB 721, the University of Nebraska System would be required to provide \$25 million in private or other funding for the construction of a rural medical center on the University of Nebraska at Kearney campus. The UNK-UNMC Rural Health Education Building will provide infrastructure for UNMC to train UNK and other admitted students in rural health professions, including the College of Allied Health Professions, College of Medicine, the College of Nursing, and the College of Pharmacy. This investment of public and private funds will strengthen Nebraska's ability to respond to pandemics in the future, support recovery from the current crisis, and rebuild lost capacity in the healthcare field as a result of significant staffing shortages in the key areas identified for training.

Please note, ongoing budget to support the academic programs are not reflected in this fiscal note. Those costs are still being reviewed.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2022-23	2023-24
	22-23	23-24	EXPENDITURES	EXPENDITURES
	0	0		
	0	0		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....			85,000,000.00	
Aid.....				
Capital improvements.....				
TOTAL.....			85,000,000.00	