

March 11, 2022

SESSION TWO-THIRDS COMPLETE

While lawmakers have begun to accelerate the pace of processing legislation, as they move into the final one-third of the 2022 Legislative Session, only 50 of the 107 individual Senator, Committee and Speaker priority bills have advanced beyond the first round of debate. With extensive debate on budget measures anticipated and the Appropriations Committee yet to submit its recommendations for expenditure of over \$1 billion in ARPA funds, predictions by the Speaker of the Legislature earlier in the session that some priority bills may not be debated could well come to fruition.

The Speaker of the Legislature has announced that debate on the budget will commence next Tuesday and that the next two weeks of floor debate will be principally focused on the state budget and ARPA funding, as well as other tax and spending bills on General File or Select File. It is anticipated that LB 825 (Social Security Benefits) and LB 939 (Individual Income Tax Rates/Corporate Income Tax Rates) will receive Select File consideration during this time period.

COMMITTEE AND FLOOR ACTION

LB 902 - NEBRASKA CAREER SCHOLARSHIP ACT: The Revenue Committee has advanced an amended version of LB 902 to General File. Introduced by Senator Ray Aguilar (Grand Island) and designated as a Speaker priority bill, LB 902 would authorize the board of trustees of the Nebraska State Colleges to award a Nebraska Career Scholarship not exceeding a maximum of \$15,000 per year to any eligible state college student who achieved a composite score on a standard college admission test equivalent to a score of at least 18 out of a maximum score of 36 and who is enrolled in an eligible program of study (rangeland management, industrial technology, criminal justice, business administration, education, communication, or computer information systems). Under the measure each scholarship recipient would be required to register to obtain a Nebraska-based internship, apprenticeship, clinical position or employment in a major-related field prior to completion of the student's eligible program of study. The bill also provides similar scholarship and internship opportunities for University of Nebraska eligible students. **(NBA Position: Support)**

LB 598 – SMALL BUSINESS STABILIZATION GRANT PROGRAM ACT: The Legislature has given first round approval to LB 598. Introduced by Senator Anna Wishart (Lincoln), LB 598 would provide grant funds to eligible businesses (a for-profit business in the state of Nebraska that has no more than \$1 million in gross revenue in the most recently completed calendar year) that are experiencing a significant loss of revenue because of a qualifying event (any natural disaster, pandemic, or other event for which a state of emergency proclamation issued by the Governor). The bill also authorizes grants for eligible businesses that have experienced a significant loss of revenue (gross revenue over a period of one month or more has declined by at least 50% from the amount of gross revenue received over the same period in the prior year) and grants of up to \$12,000 to qualifying businesses. **(NBA Position: Support)**

APPROPRIATIONS COMMITTEE UNVEILS BUDGET PROPOSALS

The Appropriations Committee has advanced its budget recommendations to the full Legislature for consideration. While the Committee adopted most of Governor Ricketts' budget proposal under LB 1011, the

Committee package will provide increased funding for certain healthcare providers. In addition, the Committee has proposed funding for nearly \$500 million worth of building and infrastructure projects through use of transfers from the Cash Reserve Fund. Included among the cash reserve transfers are \$30 million for rural workforce housing (LB 1071) and \$20 million for middle-income workforce housing (LB 1252), both of which are supported by the NBA.

WATER PROPOSALS ADVANCE

The Legislature debated and advanced two measures on Wednesday that would together provide for the building of a \$500 million canal-reservoir system in western Nebraska (LB 1015) and a 4,000-acre lake between Omaha and Lincoln (LB 1023).

LB 1015, introduced by Speaker of the Legislature Mike Hilgers (Lincoln) at the request of Governor Ricketts, would direct the Department of Natural Resources to build and maintain a canal and reservoir system to divert water from the South Platte River in Colorado for use in Nebraska.

LB 1023, also introduced by Sen. Hilgers, would take the initial steps toward creating a seven-mile-long lake along the Platte River between Omaha and Lincoln. In addition, the bill would provide for the construction of new marinas at Lake McConaughy in western Nebraska and Lewis and Clark State Recreation Area in northeast Nebraska and construction of an event center and lodge at Niobrara State Park, also in northeast Nebraska.

In the budget package advanced separately by the Appropriations Committee, funding for LB 1023 projects includes \$120 million for the two marinas and event center and lodge and another \$80 million to take initial steps in developing the lake, including funding for studies and design work. The Appropriations budget package includes \$53.5 million for the canal project under LB 1015 to be used for a feasibility study, design work, seeking permits and obtaining options to buy land. Governor Ricketts had asked that \$500 million be set aside for future construction of the canal.