

PLANNING COMMITTEE

2021 ANNUAL REPORT

PURSUANT TO NEB. REV. STAT. 50-1403

Committee Members

Senator Tony Vargas, Chair

Senator Wendy DeBoer, Vice Chair

Senator Mike Hilgers, Speaker of the Legislature

Senator Jim Scheer, Chair, Executive Board

Senator John Stinner, Chair, Appropriations

Senator Eliot Bostar

Senator Robert Clements

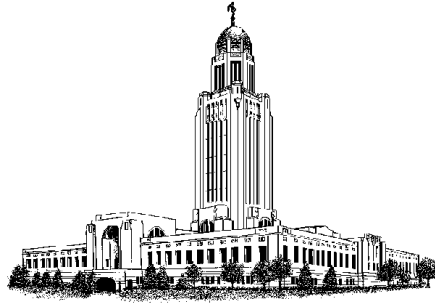
Senator Matt Hansen

Senator Matt Williams

Nebraska State Legislature

SENATOR TONY VARGAS

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COMMITTEES

Appropriations
Chairperson - Legislature's Planning
Vice Chairperson - Executive Board
Vice Chairperson - Reference
Committee on Committees

A message from Senator Tony Vargas, Chair of the Legislature's Planning Committee, 2021-2022

The Legislature's Planning Committee plays a critical role in both the Nebraska Unicameral and, more broadly, in our state government's efforts to plan and prepare for the success and wellbeing of future generations. The last several years have presented our state with unprecedented challenges as a result of the COVID-19 pandemic, which has, in many ways, shifted the way we approach complex policy ideas.

Through the American Rescue Plan Act (ARPA) of 2021, Nebraska will receive significant dollars from the federal government to help the state recover from the impact of COVID-19 on the economy, public health, education, state and local governments, individuals, and businesses. Nebraska's state government will receive approximately \$1.4 billion of ARPA funds as well as \$128 million in funding for capital projects such as workforce development, education, and healthcare, including telehealth.

ARPA funds can not directly or indirectly offset a reduction in net tax revenue, be deposited into a rainy day fund or other reserves or pension funds, or be used to pay off debt or settle legal disputes. Funds must be obligated by 2024 and spent by 2026. The funds will be allocated by the Appropriations Committee which provides the Legislative Planning Committee with the opportunity to support projects and organizations that align with the Committee's priorities. Allocating funds for rural development, retaining and attracting 18-34 year olds, workforce training, and improving K-12 outcomes will considerably impact the longevity of our state's economic growth and development.

It is my hope that our legislature will come together in 2022 to distribute ARPA funds in a way that will help our state recover from a historic crisis while also preparing for a challenging future ahead. I am eager to continue working with the other members of the Planning Committee on inspiring and contemporary policy ideas that will provide optimism to our fellow Nebraskans for generations to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tony Vargas', written in a cursive style.

Senator Tony Vargas
Legislative District 7

Legislature's Planning Committee

History

The Legislature's Planning Committee was created by LB653, which was passed during the first session of the 101st Legislature. The committee was created to assist state government in identifying emerging trends, assets, and challenges of the state and the long-term implications of the decisions made by the Nebraska Legislature. The committee is charged with:

- collecting and analyzing data about Nebraska, including, but not limited to, demographics, workforce, education, wages, wealth, tax structure, revenue, natural resources, assets, challenges, trends, and growth and efficiency of government;
- identifying long-term issues significant to the state;
- setting goals and benchmarks;
- issuing a yearly report of the committee's findings; and
- proposing legislation.*

The committee is comprised of the Speaker, the Chairperson of the Executive Board, The Chairperson of the Appropriations Committee, and six Senators selected by the Executive Board.

**A rule change in 2019 allowed the Committee to designate a priority bill for the first time.*

Mission Statement and Goals

The first committee, in 2009, set the following Mission Statement and Goals:

Mission Statement

The planning committee of the Legislature is charged with establishing and maintaining a future focus on the priorities of the State. Its responsibility is to assure continuity of policy to achieve long term goals. The committee will do so by collecting and analyzing data, identifying priorities, setting long term goals, and establishing benchmarks.

Goals

- Lead the nation in the preservation and enhancement of our economy;
- Ensure the growth and long-term vitality of agriculture in Nebraska;
- Ensure a well-educated citizenry qualified for successful employment, lifelong learning, and effective participation in a democratic society;
- Design individual health and human service programs that allow Nebraskans to thrive;
- Preserve and manage the natural resources in our state for future generations;
- Foster an environment of safety and security throughout Nebraska;
- Promote efficient and effective governmental operations, develop shared priorities, and focus on the future of Nebraskans through a disciplined planning process; and
- Ensure Nebraska's effective connectivity via transportation and telecommunications locally, statewide, nationally, and internationally.

Legislature's Planning Committee, 2020 Summary

Over the last decade, with the help of the University of Nebraska Omaha College of Public Affairs and Community Service, the Committee amassed data in nine key areas -- economy, agriculture, natural resources, state and local government, education, health and human services, public safety, and transportation and telecommunications -- and identified strengths, struggles, and opportunities facing the State of Nebraska. As the Committee continues to receive updated data from the University each year, we are now moving into the strategic planning and implementation phase of our work. Now that the Committee can designate a priority bill, the next step is to begin putting the Committee's recommendations into effect through legislation.

Over the last several years, the Committee has met to create priorities for the Committee's work over the next decade and set goals for each area. From these, the Committee will work to make concrete policy recommendations for the next annual report.

Rainy Day Fund

1. Develop new funding mechanisms for the Rainy Day Fund
2. Increase Rainy Day Fund preparation for the next recession
3. Ensure the Rainy Day Fund is equal to 16% of the budget of the State of Nebraska

Rural Development

1. Reduced outmigration, particularly among families with kids by ensuring a good quality of life, including safety, healthcare, and education
2. Greater broadband access and speed
3. Growth in the number of remote workers living in rural Nebraska:
4. Growth in agribusiness
5. More accessible and affordable housing

Retain and Attract 18-34 Year Olds

1. Net positive in-migration of persons with a bachelor's degree or more
2. Higher median incomes across the state
3. Growth in number of H3 (high wage, high skill, high demand) jobs
4. Growth in value added technology jobs

Workforce Training

1. Stronger pipeline between K-12 and workforce
2. Growth in community college technology programs
3. Lower unemployment rate and number of persons with more than one job
4. Reduction in the number of unfilled jobs

Improve K-12 Educational Outcomes

1. Increase in proficiency scores at 3rd, 8th, and 11th grade
2. Increase GED Equivalency passage rate

3. Increase coverage of needed and prioritized educational services
4. Decrease absence and truancy rate

At the October 2021 meeting, the committee discussed how ARPA requests fit into its priorities. Proposals for ARPA funds included: infrastructure and broadband, access to affordable housing and childcare, public health care and initiatives, workforce development opportunities, and more. These initiatives align with our priorities to improve rural development, retain and attract 18-34 year olds, expand workforce training, and improve K-12 outcomes. COVID-19 has exacerbated many of our state's issues in each of these priority areas.

As we look towards the 2022 session, the Appropriations Committee will host sessions to hear from the people of Nebraska, our second house, about how the state should allocate ARPA funds. We must remember an additional \$653 million in federal ARPA funds will be distributed to local and territorial governments. Therefore, the use of state funds must be in the best interest of all Nebraskans in urban and rural communities across the state.