



One Hundred First Legislature - Second Session - 2010
Introducer's Statement of Intent
LB 982

Chairperson: Deb Fischer
Committee: Transportation and Telecommunications
Date of Hearing: February 9, 2010

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

LB 982 creates the Build Nebraska Act to provide funding for new highway construction as well as bridge construction and repair. The bill would create an infrastructure to issue bonds for eligible projects. It could be used for state projects or matching funds to local entities for construction. Nebraska statutes already allow the State Highway Commission to issue bonds for roads (§39-2201 to §39-2226, the Nebraska Highway Bond Act).

LB 982 creates the State Infrastructure Bond Fund within the Nebraska Highway Bond Act. Start-up funding would come from federal Infrastructure Finance funds, which are a small portion of the federal funds that Nebraska receives. In the future, bond proceeds and other funds as determined by the Legislature could be credited to the fund.

Under LB 982, projects of \$2 million or more would be eligible for funding, but preference would be given to bridges and new road construction projects in the Nebraska Department of Roads' publication *Nebraska Surface Transportation Program Book, Fiscal Years 2007-2012 and Beyond*.

Municipalities and counties could pool resources and apply for funds as joint entities or joint public agencies made up of municipalities and counties, with matching funds provided as follows:

| <u>Project Amount</u> | <u>SIB</u> | <u>Local</u> |
|-----------------------------|------------|--------------|
| \$2 million - \$25 million | 70% | 30% |
| \$25 million - \$50 million | 60% | 40% |
| Over \$50 million | 50% | 50% |

Twenty-year bonds would be issued by the State Highway Commission. The Nebraska Department of Roads would administer the State Infrastructure Bond Fund.

Principal Introducer:

Senator Kathy Campbell