

ONE HUNDRED SEVENTH LEGISLATURE - FIRST SESSION - 2021
COMMITTEE STATEMENT
LB566

Hearing Date: Friday February 26, 2021
Committee On: Appropriations
Introducer: McDonnell
One Liner: Adopt the Shovel-Ready Capital Recovery and Investment Act

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye:	7	Senators Dorn, Hilkemann, Kolterman, McDonnell, Stinner, Vargas, Wishart
Nay:	1	Senator Clements
Absent:		
Present Not Voting:	1	Senator Erdman

Oral Testimony:

Proponents:

Senator Mike McDonnell
Joan Squires
Skyler Dykes
Shaylene Smith
Jennifer Creager

Representing:

District 5
Omaha Performing Arts
Nebraskans for the Arts
Blue River Arts Center
Greater Omaha Chamber

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 566 would establish the Shovel-Ready Capital Recovery and Investment Act to provide matching grants to qualified 501(c)(3) nonprofit organizations for the construction of capital projects that were delayed as a result of the COVID-19 pandemic.

Application requirements include a description of the capital project, estimated cost, date the project was delayed and date in which the project will begin, and information on private donations contributed to the projects for which the application is being applied. Grants would be awarded on a 50-50 match basis from private sources. For projects with an estimated cost of less than \$5 million, a grant shall not exceed \$1 million. For projects costing \$5-25 million, a grant shall not exceed \$5 million. For projects costing \$25-50 million, a grant shall not exceed \$10 million. For projects greater than \$50 million, a grant shall not exceed \$15 million.

The Shovel-Ready Capital Recovery and Investment Fund would be created. LB 566 states that \$25 million is intended to be appropriated from the General Fund and 10% of any Coronavirus Relief Funds received by the state to the Department of Economic Development.

The grant application period would begin on July 1 of 2021 and end on July 15 of 2021 and be administered by the Department of Economic Development.

Explanation of amendments:

AM606 would strike provisions stating intent to appropriate 10% of Coronavirus Relief Funds received by the state and replace those provisions with intent language to allocate \$75 million in funds from the Coronavirus State Fiscal Recovery Fund pursuant to the American Rescue Plan Act of 2021 (H.R. 1319), if such use is permitted. AM606 also authorizes the Shovel-Ready Capital Recovery and Investment Fund to receive transfers authorized by the Legislature, gifts, grants or bequests from any source.

John Stinner, Chairperson