



November 14, 2023

The Honorable Governor Jim Pillen
State Capitol, 2nd Floor N.E.
P.O. Box 94848
Lincoln, NE 68509-4848

Mr. Brandon Metzler
Clerk of the Legislature
State Capitol, Room 2018
P.O. Box 94604
Lincoln, NE 68509-4604

Dear Governor Pillen and Mr. Metzler:

On behalf of the State of Nebraska's Commission on Military and Veteran Affairs, please accept this report pursuant to Nebraska Revised Statute § 55-606.

In 2023, Nebraska's Commission on Military and Veteran Affairs met twice pursuant to Nebraska Revised Statute § 55-603. On June 1, 2023 the Commission voted to contract with the University of Nebraska-Lincoln Bureau of Business Research to summarize and assess the economic impact of military assets in Nebraska pursuant to Nebraska Revised Statutes § 55-605 and § 55-606. For 2023, the Commission put forth five recommendations that have their roots in the 2008 BRAC Task Force Report. These five recommendations serve as the Commission's "recommendations for preserving and sustaining military assets and missions existing in Nebraska" and serve as the Commission's "recommendations for actions which the state can take to encourage expanding such assets and missions" pursuant to Nebraska Revised Statute § 55-606. On November 3, 2023 the Commission voted to proceed with proposed changes discussed during the meeting and proceed with the submission of this report.

Sincerely,

A handwritten signature in blue ink, appearing to read "Phillip L. O'Donnell". The signature is stylized and includes a long horizontal flourish extending to the right.

Phillip L. O'Donnell
Military Affairs Liaison
Commission on Military and Veteran Affairs



A Bureau of Business Research Report
From the University of Nebraska—Lincoln

The Economic Impact of Nebraska Military Assets: An Update for Fiscal Year 2022

Prepared for the Nebraska Commission on Military and Veteran Affairs

November 15, 2023

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Executive Summary

This report was commissioned by the Nebraska Commission on Military and Veteran Affairs and conducted by the University of Nebraska-Lincoln Bureau of Business Research (BBR). The study is designed to provide detailed information about the status of military assets located in Nebraska, including payroll and operations spending at the various facilities across the state. The report also examines Department of Defense retirement spending and Veterans Affairs spending that takes place in Nebraska. The economic impact is estimated in terms of economic output (business sales), employee compensation (wages and benefits) and employment. The report serves as an update to similar studies that were completed by the BBR on behalf of the Nebraska Commission on Military and Veteran Affairs annually since 2017. These studies demonstrate that military, veteran, and retirement spending have a considerable impact on the state economy.

Economic Impact Estimates

- Spending at military bases and installations in FY 2022 accounted for \$2.6 billion in economic output, \$1.5 billion in employee compensation, and 24,474 jobs generated in Nebraska. These numbers are larger than estimates for FY 2021.
- Retirement and pension spending by Department of Defense (DoD) military retirees in Nebraska in FY 2022 generated 2,904 new jobs in Nebraska (in addition to the 24,474 noted above), resulting in \$157.2 million in compensation to these employees. These numbers are larger than the previous years' economic impact estimates.
- Estimates show that VA spending in FY 2022 resulted in \$2.6 billion in economic output and the employment of 18,561 workers with a total salary of \$1.1 billion. These numbers are higher than estimates produced for FY 2021.
- Army Corps of Engineers spending in FY 2022 resulted in \$159.4 million in economic output, 1,392 jobs, and \$102.2 million in employee compensation. These estimates are higher than those produced for FY 2021.
- GI Bill spending in the state in FY 2022 resulted in 396 jobs, \$16.1 million in salary, and \$36.4 million in economic output. These numbers are up slightly from estimates computed in the FY 2020 report.

Source of Impact	Output (Million \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Military Bases	\$2,572.9	\$1,501.3	24,474
Military Retirement System Payments	\$485.1	\$157.2	2,904
Veterans Affairs Spending	\$2,596.5	\$1,104.6	18,561
Army Corps of Engineers	\$159.4	\$102.2	1,392
GI Bill Benefits	\$36.4	\$16.1	396

1. Introduction

Defense spending provides economic benefits and has economic implications for the state and local economies. Spending in support of military installations and the installation's associated military missions is an integral part of the health of the local economies. Like other states, Nebraska benefits greatly from federal military spending that takes place within its borders. Such spending includes operations and operations support spending; salary paid to Active, Guard, and Reserve personnel; veteran compensation; and military retiree pension payments. The effects of military spending can be felt throughout Nebraska, as military installations and veterans are found in every region of the state.

Military spending has been the focus of increased attention at the state and local levels, with many recent reports illustrating the importance of military spending upon local and state economies. For example, in a May 2020 report U.S. Foreign Policy for the Middle Class: Perspectives From Nebraska, "After trade and immigration, those interviewed mentioned defense spending as the aspect of U.S. foreign policy that mattered most to them."¹ Examples of the local impact of military spending include the 2022 San Diego Economic Impact Report.² State examples from Texas,³ Kentucky,⁴ Florida,⁵ Missouri,⁶ Alabama,⁷ Arkansas,⁸ South Carolina,⁹ and Ohio,¹⁰ offer context for the depth and breadth of military support and spending around the country. According to the U.S. Department of Defense, Office of Local Defense Community Cooperation¹¹ in its Defense Spending by State Fiscal Year 2022 report, defense spending in Nebraska contributed 1.1% of state GDP in FY 2022.¹²

2017, 2018, 2019, 2020, 2021, and 2022 Economic Impact of Nebraska Military Assets

From 2017 to 2022 the Nebraska Commission on Military and Veteran Affairs contracted with the University of Nebraska-Lincoln Bureau of Business Research (BBR) annually to conduct a review of U.S. Department of Defense and U.S. Department of Veterans Affairs assets, as well as to estimate the impact of military and veteran spending in the State of Nebraska in FY 2016, FY 2017, FY 2018, FY 2019, FY 2020, and FY 2021. The current report builds upon the body of work created through the 2017,¹³

¹ Carnegie Endowment for International Peace, et al. "U.S. Foreign Policy for the Middle Class: Perspectives from Nebraska." (May 21, 2020). Page 43. Available: https://carnegieendowment.org/files/USFP_Nebraska_full_final.pdf

² San Diego Military Advisory Council, "San Diego Military Economic Impact Report." (2022). Available: https://sdmac.org/wp-content/uploads/2023/06/2022_sdmac_report_singlepage2.pdf

³ Texas Military Preparedness Commission, "Biennial Report 2021-2022." (July 2022). Available: https://gov.texas.gov/uploads/files/organization/military/Biennial_2021-2022_Final_2022-07-01.pdf

⁴ Kentucky Commission on Military Affairs. (October 2023). Available: <https://kcma.ky.gov/Pages/index.aspx>

⁵ Florida Defense Support Task Force. (October 2023). Available: <https://www.enterpriseflorida.com/military-defense/florida-defense-support-task/>

⁶ Office of the Missouri Military Advocate. (October 2023). Available: <https://military.ded.mo.gov/>

⁷ Alabama Military Stability Foundation. (October 2023). Available: <http://www.almsf.org/home.html>

⁸ Arkansas Military Affairs Committee. (October 2023). Available: <https://www.arkansasedc.com/community-resources/military-affairs>

⁹ "The 2022 Economic Impact of South Carolina's Military Community." (June 2022). Available: <https://scdva.sc.gov/sites/scdva/files/Documents/Economic%20Impact%20Final%20June%202022.pdf>

¹⁰ Jobs Ohio, "Ohio Military and Federal Sector Economic Impact Study." (October 2023). Available: <https://storymaps.arcgis.com/collections/acff01cf3c4d49e8a2de206b56c9a770?item=1>

¹¹ Of note, the FY 2021 National Defense Authorization Act changed the Office of Economic Adjustment to the Office of Local Defense Community Cooperation.

¹² U.S. Department of Defense, Office of Local Defense Community Cooperation, "Defense Spending by State Fiscal Year 2022." (October 2023). Available: https://oldcc.gov/sites/default/files/defense-spending-rpts/OLDCC_DSBS_FY2022_FINAL_WEB.pdf

¹³ Nebraska Commission on Military and Veteran Affairs. (November 2017). Available: https://nebraskalegislature.gov/FloorDocs/105/PDF/Agencies/Veterans_Affairs_Department_Of/610_20171120-163741.pdf

2018,¹⁴ 2019,¹⁵ 2020,^{16,17} 2021,^{18,19} and 2022²⁰ reports. Additionally, the 2008 Base Realignment and Closure (BRAC) Task Force and its subsequent report provide substantive context and background to the body of work presented in this report.²¹

2023 Commission Recommendations

For 2023, the Commission on Military and Veteran Affairs continues to put forth five recommendations that have their roots in the 2008 BRAC Task Force Report. These recommendations were validated in 2017, expanded in 2018, and were validated in 2019, 2020, and 2021. In 2022, the Commission made changes to recommendation 1 regarding funding support for the Nebraska National Guard. Of note, for 2023, the Commission has deemed the 2022 recommendation to “Provide tax relief to retired military personnel to encourage military retirees to live and work in Nebraska” as achieved given the successful implementation of the state income tax exemption on military retirement benefits during the 2022 tax year. The five remaining recommendations, as well as any subsequent progress toward implementing each recommendation, are presented below.

1. Recommend the state acknowledge the role of inflation in operations and maintenance funding.

The recommendation for the state to acknowledge the role of inflation in operations and maintenance funding is new. This recommendation modifies the 2022 recommendation that the state adjusts operations and maintenance funding to at least the annual inflation rate which replaced the recommendation from prior years for the state to increase appropriations to ensure full commitment of federal dollars for infrastructure needs of National Guard bases.

The Department of Defense (DoD) provides the Nebraska National Guard (NENG) federal funds to support operations, maintenance, sustainment, and modernization of new and existing facilities. The state provides matching funds based on cooperative agreements with the federal government that define cost shares for National Guard facilities based on type, function, and the units that utilize them and activities that occur within. Each service branch has different guidelines outlined in US Code to ensure that funding regulations are adhered to. This guidance is followed by all states and territories and the success of military projects is often contingent on positive working relationships between state leaders, the

¹⁴ Nebraska Commission on Military and Veteran Affairs. (November 2018). Available:

https://nebraskalegislature.gov/FloorDocs/105/PDF/Agencies/Veterans_Affairs_Department_Of/610_20181115-103419.pdf

¹⁵ Nebraska Commission on Military and Veteran Affairs. (November 2019). Available:

https://nebraskalegislature.gov/FloorDocs/106/PDF/Agencies/Veterans_Affairs_Department_Of/610_20191115-104724.pdf

¹⁶ Nebraska Commission on Military and Veteran Affairs. (November 2020). Available:

https://nebraskalegislature.gov/FloorDocs/106/PDF/Agencies/Veterans_Affairs_Department_Of/610_20201113-160211.pdf

¹⁷ Nebraska Commission on Military and Veteran Affairs. (November 2020 with updates from February 2021). Available:

<https://veterans.nebraska.gov/sites/veterans.nebraska.gov/files/doc/2020%20Economic%20Impact%20of%20Nebraska%20Military%20Assets%20-%20An%20Update%20for%20Fiscal%20Year%202019.pdf>

¹⁸ Nebraska Commission on Military and Veteran Affairs. (November 2021). Available:

https://nebraskalegislature.gov/FloorDocs/107/PDF/Agencies/Veterans_Affairs_Department_Of/610_20211115-175849.pdf

¹⁹ Nebraska Commission on Military and Veteran Affairs. (November 2021 with updates from February 2022). Available:

<https://veterans.nebraska.gov/sites/veterans.nebraska.gov/files/doc/1.%20NCMVA%20Draft%20Report%20-%2003-04-2022.pdf>

²⁰ Nebraska Commission on Military and Veteran Affairs. (November 2022). Available:

https://nebraskalegislature.gov/FloorDocs/107/PDF/Agencies/Veterans_Affairs_Department_Of/610_20221103-102107.pdf

²¹ Nebraska Base Realignment and Closure (BRAC) Task Force, Report. (December 2008). Available: <http://govdocs.nebraska.gov/epubs/L3745/B036-2008.pdf>

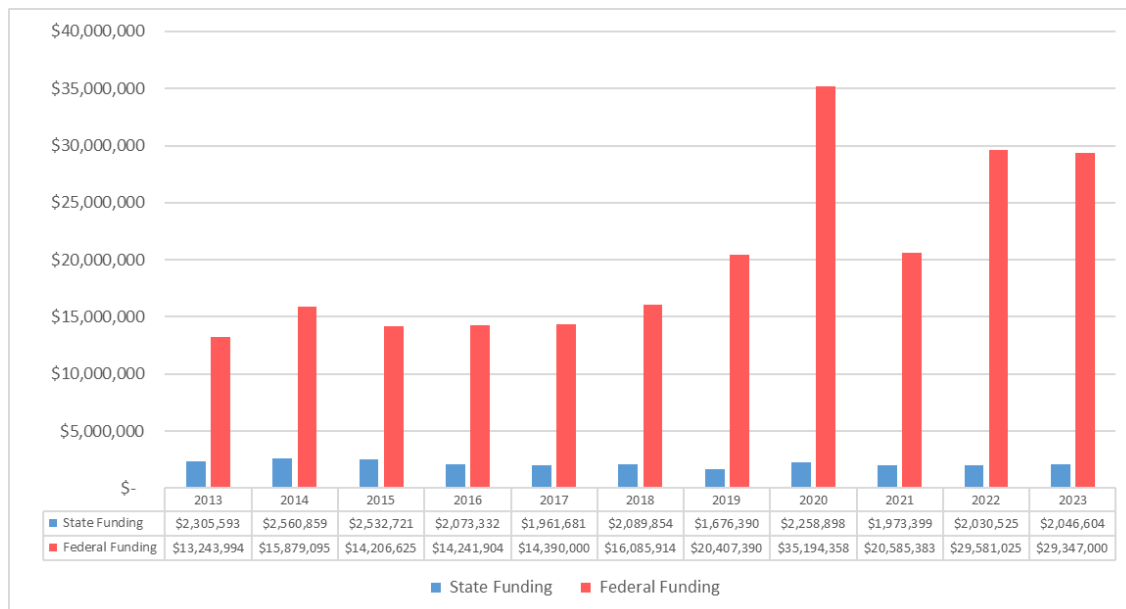
National Guard units within them, and the federal government.

NENG is proud of the collaborative and deeply supportive relationship it has with our state’s leadership, lawmakers, and community members. This long-standing cooperation allows NENG to function seamlessly within Nebraska communities across the state and present a united front to various federal government entities when seeking federal support. There has been consistent state level funding support to both Army and Air facilities to ensure that Nebraska remains a competitive contender for additional military mission assignments, successful emergency responses, and impactful deployments.

After thorough evaluation of economic trends and future growth consideration, NENG recommends the State of Nebraska acknowledge the role of inflation in operations and maintenance funding. Like many across the nation, NENG has observed increasing inflation rates on services and goods. Unfortunately, NENG was not immune to the financial impact of rising inflation. This economic shift has caused the price of materials and labor to increase on existing and future projects NENG has brought forth. Ultimately, forcing NENG to redesign and compromise additional facility capacity and function to accommodate the rising costs. As you will see further in the report, there is room for additional financial support through an increase in state funding that will coincide with current economic trends.

Figure 1 depicts the shared funding of state and federal monies allocated to the NENG. Federal spending is shown to have more fluctuation due to the changing priorities of the United States Military during that time. State funding, however, has remained consistent from 2013 to present, typically hovering around \$2M. The state data presents two realities, there is consistent support from the state and there has been little increase to account for inflation rates.

Figure 1. State and Federal Spending on Nebraska Military Department



As published by the United States Bureau of Labor Statistics, inflation rates are at an all-time high resting currently at roughly 4 percent at the time of this report. The financial support historically provided to NENG is simply not going as far as it would have just three years ago when inflation was nearly two percent. Understanding that inflation is an ever-changing variable, NENG is recommending that the State take inflation into consideration when making decisions.

Nebraska Army National Guard

The Nebraska Army National Guard (NEARNG) deems Readiness Centers as the most critical Military Department facilities. They support training, administration, operations, and serve as the centralized gathering point for NEARNG soldiers. Readiness Centers function as mobilization platforms used during federal and state activations of military personnel. There are 26 Readiness Centers strategically located across the state and require the largest portion of the overall state cost sharing. Each Readiness Center requires a cost share of 25 to 50 percent to construct, operate, and maintain.

As outlined in Table 1 below, while there has been consistent state contribution to NEARNG projects, the dollar amounts provided do not keep track with increasingly volatile inflation rates. For numerous reasons the cost of labor and supplies have increased nationwide over the past two to three years while the amount of funding provided to complete the necessary projects remained stagnant. The static levels of state appropriations challenge the ability of NENG to maintain and modernize readiness centers to meet unit and mission requirements.

State Fund	544-07	544-081	Total	Federal Funds	Percent State Funds Match to Federal Funds
2012	\$1,429,823	\$159,250	\$1,589,074	\$10,314,206	15%
2013	\$1,793,545	\$186,165	\$1,979,710	\$12,176,694	16%
2014	\$2,011,100	\$227,180	\$2,238,280	\$14,730,895	15%
2015	\$1,684,521	\$493,447	\$2,177,968	\$13,022,825	17%
2016	\$1,625,476	\$125,275	\$1,750,751	\$13,121,704	13%
2017	\$1,500,943	\$138,354	\$1,639,297	\$13,144,100	12%
2018	\$1,645,387	\$135,587	\$1,780,974	\$15,042,046	12%
2019	\$1,063,481	\$201,028	\$1,264,509	\$19,229,171	7%
2020	\$1,658,970	\$188,046	\$1,847,016	\$33,657,150	5%
2021	\$1,382,934	\$170,337	\$1,553,271	\$19,103,967	8%
2022	\$1,400,362	\$183,242	\$1,583,604	\$24,813,200	6%
2023	\$1,400,362	\$183,242	\$1,583,604	\$26,473,000	6%

Nebraska Air National Guard

The funding the Nebraska Air National Guard (NEANG) receives from DoD are matched up to 25 percent with State funding being utilized for the sole purpose of salaries and benefits of state employees, utility payments, and day-to-day preventative maintenance. 100 percent of funding for repair and modernization of NEANG facilities and infrastructure is provided by the federal government. NEANG funding capabilities are restricted by a Master Cooperative Agreement which does not permit the use of federal funds on projects where matching state funds are not provided.

As seen in the chart below, 2023 had an incremental increase in the amount of state funding and a sharp decrease from the funding received in the prior year. This can be attributed to the return to more steady state sustainment, modernization and restoration funding and a decrease in the amount of construction taking place in 2022.

State Fund	544-02	544-03	544-05	Total	Federal Funds	Amount of Federal Funds Returned	Percent of State Funds Match to Federal Funds
2012	\$424,772	\$0	\$0	\$426,784	\$1,028,000	\$0	29%
2013	\$323,870	\$0	\$0	\$325,883	\$1,067,300	\$95,689	23%
2014	\$320,565	\$0	\$0	\$322,579	\$1,148,200	\$186,505	22%
2015	\$352,738	\$0	\$0	\$354,753	\$1,183,800	\$125,589	23%
2016	\$320,565	\$0	\$0	\$322,581	\$1,120,200	\$158,505	22%
2017	\$305,000	\$0	\$15,367	\$322,384	\$1,245,900	\$284,799	20%
2018	\$291,254	\$0	\$15,608	\$308,880	\$1,043,868	\$0	23%
2019	\$391,254	\$0	\$18,608	\$411,881	\$1,178,219	\$0	26%
2020	\$391,254	\$0	\$18,608	\$411,882	\$1,537,208	\$0	21%
2021	\$399,500	\$0	\$18,607	\$420,128	\$1,481,416	\$0	25%
2022	\$425,780	\$0	\$19,119	\$446,921	\$4,767,825	\$22,212	9%
2023	\$438,924	\$0	\$22,053	\$463,000	\$2,874,000	\$0	15%

Ongoing & Recently Completed Nebraska National Guard Military Construction Projects

At the time of this report NENG has several construction and modernization projects in progress. These projects came from a list of strategically prioritized needs from NENG to become better equipped to serve the state of Nebraska and the United States' national security interests.

While not all of the projects and modernizations listed below include state funding, the state of Nebraska's leadership, state legislature, and community partners were instrumental in showing support to NENG during the financial request and space allocation process for these projects.

Bellevue Readiness Center (Completion Fall 2024)

- \$35M from military construction funding
- \$7.6M in state funding
- \$143,000 in state funding for design

Camp Ashland Training Site (Completion December 2023)

- \$35M from military construction

North Platte Vehicle Maintenance Shop (Completion November 2023)

- \$9.3M from military construction

Mead Barracks (initial design in progress)

- \$10.7M in military construction funding (Construction to begin fall FY23)

GTS Barracks (initial design in progress)

- \$12M in military construction funding

NEARNG Aircraft Maintenance Hanger (initial design in progress)

- \$5.5M in military construction funding

Fuel Cell Hangar Modernization (initial design complete)

- \$10.4M in Sustainment, Modernization, and Maintenance Funds from National Guard Bureau

Runway 18/36 Replacement (Programming in progress)

- \$40.7M in Sustainment, Modernization, and Maintenance Funds from National Guard Bureau
- \$56.5M in FAA funding
- \$6.3M in Lincoln Airport Authority funding

KC-135 Simulator Facility (Programming in progress)

- \$8.1M in Military Construction Funds

The NENG is able to uphold and serve the constitutions of the state of Nebraska and of the United States successfully due to the financial and communal support it receives from across the state. Through the collaborative financial efforts to position NENG and the state of Nebraska as a prepared, mission capable, and military conscious and friendly state, much has been achieved. NENG views the future as an opportunity to exceed past expectations and address current barriers. The last 10 years have seen consistent state funding to support the needs of the NENG, however there is room to grow and respond to the changing climate we operate within. The recommendation for the state to acknowledge inflation reflects the needs of the NENG as a thoughtful request to provide financial support needed to continue its necessary operations.

2. Provide support to local subdivisions in their efforts to improve military installations.

The recommendation to provide support to local subdivisions in their efforts to improve military installations is valid.

In March 2016, the Critical Infrastructure Facilities Cash Fund was established by Legislative Bill (LB) 957 Section 21, to be used by the Nebraska Department of Natural Resources to provide a grant to a Natural Resource District (NRD) to offset costs related to soil and water improvements intended to protect critical infrastructure facilities within the NRD which includes military installations, transportation routes, and wastewater treatment facilities.²² The Critical Infrastructure Facilities Cash Fund is intended to help fund efforts to protect and enhance critical infrastructure facilities within an NRD's boundary including military installations, transportation routes, and wastewater treatment facilities.

A total of \$13.7 million was transferred from the General Fund into the Critical Infrastructure Facilities Fund in FY15-16, and a \$13.7 million cash fund appropriation was approved for FY15-16. Unused appropriations were carried forward into the current budget. The Nebraska Department of Natural Resources accepted an application from the Papio-Missouri River Natural Resources District (Papio NRD) for a grant to help fund a project to extend and upgrade levees near Offutt Air Force Base.²³ After a multi-year process, the Papio NRD received the necessary federal permits to begin construction. The Papio NRD was on track to begin levee improvements in March of 2019. Unfortunately, in March 2019, the State of Nebraska experienced unprecedented flooding which delayed the project. In August 2019, the Papio NRD and U.S. Army Corps of Engineers agreed to complete post flood repairs, levee modifications, and levee upgrades at the same time. By reaching this cooperative agreement, the Papio NRD was able to begin levee upgrades immediately instead of waiting until post flood repairs were completed by the U.S. Army Corps of Engineers. In mid-September 2019, flood repairs and the planned work on the levee rehabilitation and upgrades started simultaneously. This cooperative effort is saving time and expense to the Papio NRD and U.S. Army Corps of Engineers. The remaining balance of the grant funds for this project, as of October 2020, to extend and upgrade levees near Offutt Air Force Base was nearly \$4.9 million.²⁴ The remaining portion (\$4,895,985) of the Critical Infrastructure funding earmarked for the Papio NRD was transferred to the Papio NRD on February 18, 2021.

From the perspective of the Nebraska Department of Natural Resources, the Papio NRD's portion of the Critical Infrastructure fund is completed and closed out. The remaining carry-forward funding (\$1,024,905) in the Critical Infrastructure program goes to the Gering-Ft. Laramie Irrigation District for tunnel repairs.²⁵

As of October 2023, the Levee sections protecting Offutt AFB and the City of Omaha's Papillion Creek Wastewater Treatment Plant have been completed and provide enhanced 100-year and above flood protection. The NRD is working with Offutt AFB and the Department of Defense on formulating an

²² LB 957, Section 21. (March 30, 2016). Available: <http://www.nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB957.pdf>

²³ Nebraska Legislative Fiscal Office, A Legislator's Guide to Nebraska State Agencies. (December 2016). Available: <http://www.nebraskalegislature.gov/pdf/reports/fiscal/2016legguide.pdf>

²⁴ Nebraska Department of Natural Resources. (October 14, 2020). Email correspondence.

²⁵ Nebraska Department of Natural Resources. (October 18, 2022). Phone call.

Inter-local agreement for the NRD to operate and maintain storm water systems on the base. The final FEMA floodplain map is anticipated to be official in 2024 with the reflection of the levee system providing 100-year flood protection to the areas behind the R-613 and R-616 levees. The NRD is working with Offutt AFB and the U.S. Army Corps of Engineers to further enhance the stormwater management and flood protection of the base by rehabilitating several antiquated stormwater culverts along the Papillion Creek. Recently, the Papio NRD, in coordination with the City of Bellevue and Offutt AFB, replaced a culvert just south of the base to improve stormwater drainage on base property. The replacement of this culvert was requested by Offutt AFB and was completed in 24 hours by NRD personnel.²⁶

Another way to support local subdivisions in their efforts to improve the military value of military installations is to provide assistance when they compete for federal grants. For example, the DoD's Office of Local Defense Community Cooperation's (OLDCC) "Defense Community Infrastructure Program (DCIP)" may be useful to "address deficiencies in community infrastructure, supportive of a military installation, in order to enhance value, installation resilience, and military family quality of life."²⁷ Of note, "On September 22, 2023, the Department of Defense announced the award of 17 grants totaling approximately \$100 million under the Defense Community Infrastructure Pilot Program by the Office of Local Defense Community Cooperation."²⁸ Additionally, the Office of Local Defense Community Cooperation has merged "previous installation resilience and compatible use (formerly a Joint Land Use Study, or JLUS) elements into one broader program continuum" into a "Installation Resilience" program.²⁹ State leaders should continue to monitor military installation resilience programs offered through the DoD Office of Local Defense Community Cooperation. The last "Joint Land Use Study" for Offutt Air Force Base was completed in August 2015.³⁰

These tools, the Critical Infrastructure Facilities Cash Fund and potential grants, provide mechanisms and opportunities to support local subdivisions in their efforts to improve the military value of military installations.

3. Recommend land use planning legislation to ensure governmental entities and developers coordinate when building near military bases, including a requirement that local subdivisions conduct a feasibility study to address encroachment issues.

As noted in 2017, 2018, 2019, 2020, and 2021 given the approval of Legislative Bill (LB) 279 in February 2010, the recommendation for land use planning legislation to ensure governmental entities and developers coordinate when building near military bases, including a requirement that local subdivisions conduct a feasibility study to address encroachment issues, has been partially realized.

In February 2010, Governor Dave Heinemann approved LB 279, an act relating to land-use planning. The act requires notification to military installations regarding development of real property.³¹ Senator

²⁶ Papio-Missouri River Natural Resources District. (October 3, 2023). Email correspondence.

²⁷ DoD Office of Local Defense Community Cooperation. (2023). Available: <https://oldcc.gov/defense-community-infrastructure-program-dcip>

²⁸ DoD Office of Local Defense Community Cooperation, Fiscal Year 2023 Grant Awards. (September 22, 2023). Available: <https://oldcc.gov/defense-community-infrastructure-program-dcip#block1>

²⁹ DoD Office of Local Defense Community Cooperation. (2023). Available: <https://oldcc.gov/our-programs/installation-resilience>

³⁰ DoD Office of Local Defense Community Cooperation. (2023). Available: <https://oldcc.gov/sites/default/files/mis-studies/Offutt%20Air%20Force%20Base.pdf>

³¹ LB 279. (February 11, 2010). Available: <http://nebraskalegislature.gov/FloorDocs/101/PDF/Slip/LB279.pdf>

Bill Avery introduced LB 279 to require municipalities and counties to provide notification to a military installation “which is located within its jurisdiction regarding any development of property which may affect the military installation.”³² To this end, the recommendation to ensure coordination between government entities and developers has been realized.

Regarding the specific 2008 recommendation to levy a requirement that local subdivisions conduct a feasibility study to address encroachment issues, LB 279 did not modify Nebraska Revised Statute 15-1103, which notes “the planning director of a city of the primary class shall be responsible for preparing the comprehensive plan and amendments and extensions thereto and for submitting such plans and modifications to the city planning commission for its consideration and action.”³³ Arguably, a comprehensive plan would address encroachment issues; however, there is no requirement for a “feasibility study” per se.

The Department of the Air Force requires Accident Potential Zones, Noise Pollution Land Use Zones, and general zoning encroachment protection to an installation. In 2017, the Nebraska Air National Guard (NEANG) acquired an additional 16 acres of land to the lease with the Lincoln Airport Authority (LAA). This land addition provided a buffer on the north end of the installation while providing for future expansion of the NEANG. All adjacent property surrounding the NEANG installation is owned by the LAA and zoned for aviation use. Encroachment issues to the installation are mitigated by natural and manmade barriers in addition to current land use zoning.

In April 2018, Governor Pete Ricketts approved Legislative Bill (LB) 901 which protects Nebraska National Guard flight training areas by amending state statutes related to permitting decisions made by the Division of Aeronautics of the Nebraska Department of Transportation.³⁴ Typically, a permit is required “before erecting/building any structure exceeding a height of 150 feet above the surface of the ground at the point of installation, unless erected under the authority of a license or permit issued by a federal agency.” The Nebraska Department of Transportation’s Division of Aeronautics has fully implemented LB 901.³⁵ As of October 2023, there have been no reported issues regarding encroachment at Nebraska National Guard flight training areas.³⁶

The State of Nebraska may need to continue to review and address encroachment issues related to the military in the future. Foreign investment near military installations and the role of defense communities has garnered both national and state attention. On June 22, 2023, the Association of Defense Communities held a one-day forum focused on understanding issues and implications of foreign investment near military installations. On September 15, 2023, the Agriculture Committee of Nebraska’s Legislature held an interim study to examine interests in agricultural lands in Nebraska held by foreign individuals, business entities, and governments.³⁷ Moving forward, it will be important to review the Agriculture Committee’s report, transcript, or other recommendations given potential insight regarding foreign investment near military installations. Additionally, the State of Nebraska may need to research relevant policies and associated messaging strategies regarding foreign investment near military installations.

³² LB 279, Introducer’s Statement of Intent. (February 12, 2009). Available: <http://nebraskalegislature.gov/FloorDocs/101/PDF/SI/LB279.pdf>

³³ Nebraska Revised Statute 15-1103. Available: <http://nebraskalegislature.gov/laws/statutes.php?statute=15-1103>

³⁴ LB 901. (April 17, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB901.pdf>

³⁵ Nebraska Department of Transportation. (2023). Available: <https://dot.nebraska.gov/aeronautics/towers-tall-structures/>

³⁶ Nebraska Department of Transportation, Dave Lehnert. (October 11, 2023). Email correspondence.

³⁷ LR 106. (September 15, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=51864

4. Recommend colleges and universities offer courses that support military missions. Additionally, Nebraska colleges and universities should engage in partnership with the Department of Defense when feasible.

As noted in the 2008 BRAC Task Force Report, “Offering courses that correspond with military needs would potentially increase the value of that installation and the missions that rely on personnel with specific educational training such as foreign languages”³⁸ thereby benefiting the State of Nebraska. The University of Nebraska-Lincoln has made significant progress in the development of its National Security Studies program, which offers courses that support military missions.³⁹ Additionally, the U.S. Strategic Command’s Deterrence and Assurance Academic Alliance (DA3) is “an academic community of interest focused on research and analysis of deterrence, assurance, and associated strategic level national security themes in a rapidly changing, multi-domain global threat environment.”⁴⁰ As of October 2023, Bellevue University, Creighton University, the University of Nebraska-Lincoln, the University of Nebraska-Kearney, and the University of Nebraska-Omaha continue to participate in DA3.⁴¹

The National Strategic Research Institute (NSRI) at the University of Nebraska continues to be a critical node at the intersection of mission-essential academic research and the development of capabilities for the Department of Defense.⁴² In 2020, NSRI was “awarded a new five-year, \$92 million contract through the U.S. Strategic Command to continue its leading research in national security and defense.”⁴³ In 2021, NSRI was “awarded a 5-year, \$25 million indefinite-delivery, indefinite-quantity (IDIQ) contract from the National Nuclear Security Administration (NNSA) to support strategic deterrence and nuclear threat reduction efforts.”⁴⁴ In September 2021, NSRI expanded its partnership with UNL’s Institute of Agriculture and Natural Resources by opening the Collaborative Biosecurity Laboratory “to pursue ag defense research.”⁴⁵ This partnership released the proceedings from a food, agriculture and environment security workshop held in March 2023.⁴⁶ In March 2022, NSRI released its Impact Synopsis⁴⁷ and in October 2022, NSRI celebrated its 10th anniversary as the University Affiliated Research Center (UARC) of the University Nebraska System and U.S. Strategic Command.⁴⁸ NSRI published and released its 2022 biennial report in November 2022.⁴⁹ In September 2023, NSRI was awarded a \$24.5 million contract with the Defense Health Agency to develop prevention and mitigation strategies of the effects of acute radiation syndrome.⁵⁰

³⁸ Nebraska Base Realignment and Closure (BRAC) Task Force, Report. (2008). Available: <http://govdocs.nebraska.gov/epubs/L3745/B036-2008.pdf>

³⁹ National Security Studies program, University of Nebraska-Lincoln. (2023). Available: <https://nationalsecurity.unl.edu/>

⁴⁰ USSTRATCOM Deterrence and Assurance Academic Alliance purpose. (2023). Available: <http://www.stratcom.mil/Academic-Alliance/>

⁴¹ USSTRATCOM Deterrence and Assurance Academic Alliance members. (2023). Available: <http://www.stratcom.mil/Academic-Alliance/Members/>

⁴² National Strategic Research Institute at the University of Nebraska. (2023). Available: <https://nsri.nebraska.edu/>

⁴³ National Strategic Research Institute at the University of Nebraska. (September 15, 2020). Available: <https://nsri.nebraska.edu/news/news-releases/2020/09/new-92-million-contract-will-expand-university-of-nebraska-national-defense-research>

⁴⁴ National Strategic Research Institute at the University of Nebraska. (October 19, 2021). Available: <https://nsri.nebraska.edu/news/news-releases/2021/10/nsri-awarded-25-million-nnsa-contract-for-strategic-deterrence-nuclear-threat-reduction-support>

⁴⁵ Nebraska Today. (September 27, 2021). Available: <https://news.unl.edu/newsrooms/today/article/collaborative-biosecurity-laboratory-opens-to-pursue-ag-defense-research/>

⁴⁶ National Strategic Research Institute at the University of Nebraska. (May 2, 2023). Available: <https://nsri.nebraska.edu/news/news-releases/2023/05/nsri-unl-ianr-publish-proceedings-from-food-agriculture-and-environment-security-workshop>

⁴⁷ National Strategic Research Institute at the University of Nebraska. (March 2022). Available: <https://nsri.nebraska.edu/-/media/projects/nsri/docs/nsri-uarc-5-year-impact-synopsis.pdf>

⁴⁸ National Strategic Research Institute at the University of Nebraska. (October 12, 2022). Available: <https://nsri.nebraska.edu/news/news-releases/2022/10/celebrating-a-decade>

⁴⁹ National Strategic Research Institute at the University of Nebraska. (November 9, 2022). Available: <https://nsri.nebraska.edu/news/news-releases/2022/11/nsri-2022-biennial-report-highlights-a-decade-of-mission-impact>

⁵⁰ National Strategic Research Institute at the University of Nebraska. (September 11, 2023). Available: <https://nsri.nebraska.edu/news/news-releases/2023/09/nsri-nu-awarded-24-5-million-dha-contract-for-acute-radiation-syndrome-prophylactic-development>

In 2020, the University of Nebraska Medical Center (UNMC) made significant progress by obtaining state support “for an academic medical facility to help the United States address future pandemics and other disasters.”⁵¹ Known as “Project NExT” this effort “will improve the readiness of the nation’s civilian and military health system to partner to respond to a catastrophic disaster such as another pandemic, accident, or overt attack.”⁵² In May 2021, UNMC/Nebraska Medicine was selected as “a key pilot site” for Project NExT.⁵³ In October 2023, “Project NExT’s first phase – now known as Project Health: Building the Healthiest Nebraska – will move to a more detailed design phase...”⁵⁴

The National Counterterrorism Innovation, Technology, and Education (NCITE) Center is another important entity within Nebraska’s national security research ecosystem. As described in its first annual report, “NCITE’s mission is to produce actionable research through a user-inspired approach, which combines social science, business, and technology for the security of the homeland.”⁵⁵

In July 2022, the University of Nebraska-Lincoln announced that the “National Drought Mitigation Center, based in the University of Nebraska–Lincoln’s School of Natural Resources, received \$1 million in funding from U.S. Air Force Weather this spring for the first phase of a bigger project.”⁵⁶ The aim of the project is to discern whether civil unrest can be predicted along with the weather.

5. Review and recommend legislation or regulatory reform to support military personnel and families including employment and educational opportunities.

The recommendation to review and recommend legislation or regulatory reform to support military personnel and families, including employment and educational opportunities is still valid.

An example of legislation which could support educational opportunities for military personnel is LB 52.⁵⁷ LB 52 would eliminate a limitation on the amount of tuition credits available to Nebraska National Guard members. LB 52 was placed on Select File on February 23, 2023.

In 2023, the Department of Defense provided consistent guidance to State policymakers. The DoD continued to emphasize the provisions of a February 23, 2018 memorandum to the National Governors Association from the Secretaries of the Army, Navy, and Air Force which stated that “we will encourage leadership to consider the quality of schools near bases and whether reciprocity of professional licenses is available for military families when evaluating future basing or mission alternatives.”⁵⁸ Additionally, the Defense State Liaison Office (DSLO) continues to provide state policymakers with “reliable information and research, knowledge of policies and processes, and assistance with legislation-all to support service members and their families.”⁵⁹ Those responsible for legislation and

⁵¹ University of Nebraska Medical Center, “Governor signs bill supporting NExT Project.” (August 21, 2020). Available: <https://www.unmc.edu/news.cfm?match=26096>

⁵² University of Nebraska Medical Center, NExT: A Nebraska Transformational Project. (2023). Available: <https://www.unmc.edu/next/>

⁵³ Congressman Don Bacon, press release. (May 5, 2021). Available: <https://bacon.house.gov/news/documentsingle.aspx?DocumentID=646>

⁵⁴ University of Nebraska Medical Center, Project NExT moves to a more detailed design phase. (October 6, 2023). Available: <https://www.unmc.edu/newsroom/2023/10/06/project-next-moves-to-more-detailed-design-phase-2/>

⁵⁵ University of Nebraska Omaha, NCITE Annual Report 2020-2021. (2023). Available: https://issuu.com/uno-publications/docs/0547-rpt_cba_ncite_annual_report_issuu?fr=sODg1NDMwNjc4MTg

⁵⁶ University of Nebraska-Lincoln. (July 11, 2022). Available: <https://news.unl.edu/newsrooms/today/article/drought-center-kicks-off-1-million-defense-project-to-predict-unrest/>

⁵⁷ LB 52. (February 23, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=49922

⁵⁸ Secretary of the Army, Secretary of the Navy, Secretary of the Air Force. (2018). Available: <https://media.defense.gov/2018/Feb/23/2001881660/-1/-1/1/Military-Family-School-Consideration-and-Professional-Licensure-Reciprocity.PDF>

⁵⁹ Defense State Liaison Office. (2023). Available: <https://statepolicy.militaryonesource.mil/>

regulatory reform should carefully consider this guidance and the DSLO's state policy priorities.

Recent Congressional Actions

As of October 10, 2023, the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2024 has yet to pass the full House and the full Senate. U.S. Senator Deb Fischer⁶⁰ and Congressman Don Bacon⁶¹ have secured a number of important provisions for Nebraska in the NDAA through their respective service on the Senate Armed Services Committee and House Armed Services Committee. Congressman Mike Flood supported the passage of the NDAA as well.⁶² In 2023, the Department of Defense did not request Base Realignment and Closure (BRAC) authority from Congress for Fiscal Year 2024 and Congress has not included the authority in the FY 2024 NDAA. As of October 10, 2023, the federal government is operating under a continuing resolution that expires November 17, 2023. The final selection criteria for the 2005 round of base closures and realignments can be found in Title 10 United States Code § 2687.⁶³ Policy makers and stakeholders should review the 2017, 2018, 2019, 2020, and 2021 Commission reports and the 2008 BRAC Task Force report for additional research, analysis, and context related to BRAC. The most recent Congressional Research Service report focused on BRAC was published in 2019.⁶⁴

The Current Report

There are multiple purposes of the present report. First, this report will serve to update the economic impact data presented in *The Economic Impact of Nebraska Military Assets* from November 4, 2022, thereby providing a current snapshot of the economic impacts of military and veteran spending in the state. This information will yield a comprehensive understanding of the magnitude of military and veteran spending in Nebraska. Data for these analyses have been derived from a wide range of sources including federal statistics from the Department of Defense, the Census Bureau, and the Department of Veterans Affairs; statistics from reports produced by Offutt Air Force Base and the Nebraska National Guard; and from correspondence with Army, Navy, Air Force, and Marine Corps Reserves. Analysts utilize industry-standard approaches (i.e., IMPLAN, IMPact analysis for PLANning⁶⁵) to derive estimates of the direct, indirect, and induced effects of defense and military retiree spending in the state. Direct effects include direct spending by the agencies on payroll and to vendors. Indirect effects include vendor spending at other local businesses. Induced effects capture business activity as employees spend their paychecks on goods and services. Second, this report will consider the aggregate benefits of military service upon the state economy. Data for this analysis is drawn from many of the same sources as described in the previous paragraph, and is informed by research that has been conducted through reviewing academic and applied research literature.

In sum, the current report will provide stakeholders with the situational awareness of current levels of spending on military installations and spending on veterans and military retirees, as well as the indirect effects of such spending. This report will also yield key insights into the various costs and benefits of proposed strategies to attract and retain veterans and retired DoD personnel into the state. Ultimately, the information can be used to further prepare the State of Nebraska for growth by identifying the strengths on which Nebraska might capitalize, as well as the potential weaknesses in this particular economic domain.

This report was funded through the Nebraska Department of Veterans' Affairs pursuant to Nebraska Revised

⁶⁰ U.S. Senator Deb Fischer. (June 23, 2023). Available: <https://www.fischer.senate.gov/public/index.cfm/2023/6/fischer-secures-key-national-security>

⁶¹ U.S. Congressman Don Bacon. (July 18, 2023). Available: <https://bacon.house.gov/news/documentsingle.aspx?DocumentID=1302>

⁶² U.S. Congressman Mike Flood. (July 14, 2023). Available: <https://flood.house.gov/media/press-releases/congressman-flood-votes-support-us-military-members-strengthen-americas>

⁶³ United State Code Title 10, Subtitle A, Part IV, Chapter 159, § 2687. (2023). Available: <http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title10-section2687&num=0&edition=prelim>

⁶⁴ Congressional Research Service, "Base Realignment and Closure (BRAC): Background and Issues for Congress." (April 25, 2019). Available: <https://crsreports.congress.gov/product/pdf/R/R45705>

⁶⁵ IMPLAN, Impact Analysis for Planning. (2023). Available: <http://implan.com/>

Statute 55-605.⁶⁶ The Commission on Military and Veteran Affairs is tasked to prepare an annual report pursuant to Nebraska Revised Statute 55-606.⁶⁷

⁶⁶ Nebraska Revised Statute 55-605. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-605>

⁶⁷ Nebraska Revised Statute 55-606. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-606>

2. Military Assets and Spending

This chapter outlines the major military installations throughout the state, and provides detailed information on the employment, salary, and operating costs associated with each installation. The chapter covers active-duty bases, National Guard bases and locations, and facilities where Reserves are located. Information on additional DoD assets is also included. Data were obtained from a wide range of sources including publicly available federal and state data sources, installation reports, personal communications with staff, and personal communications with legislative and governmental affairs staff.

Offutt Air Force Base

Offutt Air Force Base has a long and storied history in Nebraska. Perhaps the state's most visible installation, Offutt's origins began with construction of Fort Crook in the 1890's. The Fort initially served as the home of U.S. Army Infantry units, and continued to serve this purpose through the early 1900's. In 1921, an airfield was built to facilitate takeoffs, landings, and refueling of military and government aircraft. Through the 1940's, Offutt Field served as the location of a new bomber plant that produced notable aircraft used during World War II. In 1948 the entire installation was transferred to the Department of the Air Force and was renamed Offutt Air Force Base. In this same year, Strategic Air Command (SAC) was established on base. Throughout the 1960's, 1970's and 1980's Offutt continued to grow and adapt to shifting threats around the globe. In 1992, SAC was disestablished and in its place, the United States Strategic Command (USSTRATCOM) was established. Over the years, USSTRATCOM has evolved and experienced organizational changes which resulted in its current organizational structure and role.

As of October 2023, Offutt AFB had 37 aircraft assigned. The base consists of 3,633 acres of land, 2.58 million square yards of paved surface, and 7.52 million square feet of building space. The base employs over 11,000 military, civilian and contractor staff, with a total payroll of over \$999 million and an additional \$475 million in expenditures on construction, service contracts, and other federal expenditures. The units at Offutt AFB execute global missions around the clock.

55th Wing. Offutt AFB is the home of the 55th Wing. The 55th Wing is the largest wing in Air Combat Command and the second largest in the Air Force. The Wing provides global reconnaissance, real-time intelligence gathering, command and control, information warfare, electronic attack, treaty verification and combat support to national leaders and agencies as well as Air Force and joint warfighters. The wing's support functions include: base mobility; manpower; logistics; aircraft and vehicle maintenance; civil engineering; contracting; personnel administration and education; law enforcement; resource security; morale, welfare and recreation; medical and dental care; and local as well as global command, control, and communication capabilities. The wing performs staff requirements to include: administration; legal services; comptroller; public affairs; history; inspection; plans and programs; ground and flight safety; protocol; inspector general; chaplain services; sexual assault prevention and response; and equal opportunity functions for both military and civilian members. Pursuant to Nebraska Revised Statute 55-601, the Commander of the 55th Wing of the Air Combat Command or his or her designee serves as a nonvoting, ex officio member of Nebraska's Commission on Military and Veteran Affairs.⁶⁸

USSTRATCOM. Offutt AFB is also home to the U.S. Strategic Command (USSTRATCOM). USSTRATCOM is one of eleven Combatant Commands and is responsible for detecting, deterring, and preventing strategic

⁶⁸ Nebraska Revised Statute 55-601. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-601>

attacks against the U.S. and its partners. The command coordinates with other combatant commands and governmental agencies that provide national security. USSTRATCOM deters strategic attack and employs forces, as directed, to guarantee the security of our nation and our allies. As a global warfighting combatant command, USSTRATCOM delivers a dominant strategic force and innovative team to maintain our Nation's enduring strength, prevent and prevail in great power conflict, and grow the intellectual capital to forge 21st century strategic deterrence. The priorities of USSTRATCOM are Strategic Deterrence, Decisive Response, and A Combat- Ready Force. Pursuant to Nebraska Revised Statute 55-601, the Commander of the United States Strategic Command or his or her designee serves as a nonvoting, ex officio member of Nebraska's Commission on Military and Veteran Affairs.⁶⁹

557th Weather Wing. In addition to the 55th Wing and USSTRATCOM, Offutt AFB is also home to the 557th Weather Wing. The 557th Weather Wing was formed when the Air Force Weather Agency was re-designated in March 2015. The 557th comprises more than 1,450 personnel, 12 squadrons, 5 detachments, and 17 operating locations across the globe. The 557th Weather Wing's authoritative environmental data and information, from the "mud to the sun," is utilized worldwide for all facets of operations by Air Force, Department of Defense, intelligence community, and other governmental agencies enabled by its unique mission capabilities, high performance computing center and locally run global atmospheric weather exploitation model. Pursuant to Nebraska Revised Statute 55-601, the Commander of the 557th Weather Wing of the United States Air Force or his or her designee serves as a nonvoting, ex officio member of Nebraska's Commission on Military and Veteran Affairs.⁷⁰

Additional Units on Offutt AFB. In addition to the 55th Wing, USSTRATCOM, and the 557th Weather Wing several other critical organizations are located at Offutt AFB:

The 595th Command and Control Group, located at Offutt AFB, and "aligned under Eighth Air Force and Air Force Global Strike Command"⁷¹ was activated in October 2016.⁷² By realigning the 625th Strategic Operations Squadron, the 1st Airborne Command and Control Squadron, the 595th Aircraft Maintenance Squadron, and 595th Strategic Communications Squadron under one command, the 595th Command and Control Group is able to "ensure U.S. strategic deterrence by providing aircrew, operators and maintenance personnel for nuclear command, control and communications (NC3) platforms enabling the National Command Authority survivable, real-time strategic assessment and global strike capabilities."⁷³

⁶⁹ Nebraska Revised Statute 55-601. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-601>

⁷⁰ Nebraska Revised Statute 55-601. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-601>

⁷¹ 595th Command and Control Group. (2023). Available: <https://www.8af.af.mil/Units/595th-Command-and-Control-Group/>

⁷² 55th Wing Public Affairs. (2016). Available: <https://www.acc.af.mil/News/Article-Display/Article/965021/595th-command-and-control-group-activates-at-offutt/>

⁷³ 595th Command and Control Group. (2023). Available: <https://www.8af.af.mil/Units/595th-Command-and-Control-Group/>

The 170th Group, a unique Nebraska Air National Guard unit based at Offutt AFB, will be doubling in size and mission through the addition of the 170th Maintenance Support Squadron and the 170th Intelligence Support Squadron.⁷⁴ This expansion builds on the recognition of the superb Total Force Integration between the Nebraska Air National Guard and 55th Wing. In May 2021, a Total Force Association Health Assessment by the Headquarters Air Force Directorate of Total Force Integration revealed that Offutt's Total Force Integration is exceptional.⁷⁵

The 343rd Recruiting Squadron (RCS) is headquartered at Offutt AFB. The active-duty squadron covers a 370,000 square-mile area that includes Iowa, Minnesota, Nebraska, North Dakota, South Dakota, and Wisconsin.⁷⁶ The 343rd RCS is tasked with recruiting highly talented and qualified personnel into the Air Force. The 20th Intelligence Squadron (20 IS) is located on Offutt AFB. The 20 IS provides geospatial and targeting intelligence to combatant commanders and war fighting forces.⁷⁷ The Defense POW/MIA Accounting Agency (DPAA) maintains an accredited laboratory at Offutt AFB. Forensic anthropologists work to identify remains with the goal of "returning every POW/MIA possible, to their family."⁷⁸ The U.S. Air Force Heartland of America Band, a 15-member unit, has been assigned to Offutt AFB since 1948.⁷⁹ The band is well known to the Bellevue community, the State of Nebraska, and around the world for its commitment to excellence.

Offutt AFB and USSTRATCOM Personnel and Spending. As the above descriptions indicate, Offutt AFB is home to many of the critical organizations that ensure the nation's security. The vast majority of Offutt personnel live in Nebraska where they, in turn, spend their paychecks on goods and services. Units at Offutt purchase highly technical support and research and development services from local businesses as well as national companies with a presence in the state. Data from Offutt Air Force Base and USSTRATCOM were derived from the *Offutt Air Force Base Economic Impact Statement 2022*.⁸⁰ This report was provided directly to the authors for use in the present report.

The data indicate that Offutt AFB and USSTRATCOM combined to employ 9,264 individuals in FY 2022. The majority of these employees (6,916) are military members, with an additional 2,348 civilian employees. A number of other employees from non-appropriated funds, employees from the Base Exchange, and employees from the Cobalt Credit Union are also located on Offutt, but are not included in this analysis (see Table 4).

⁷⁴ Offutt Air Force Base, press release. (September 14, 2022). Available: <https://www.offutt.af.mil/News/Article/3165987/offutt-based-air-national-guard-unit-doubling-in-size-mission-next-year/>

⁷⁵ Offutt Air Force Base, press release. (May 14, 2021). Available: <https://www.offutt.af.mil/News/Article/2618201/assessment-reveals-offutts-total-force-integration-is-exceptional/>

⁷⁶ 343rd Recruiting Squadron. (2022). Available: <https://www.recruiting.af.mil/About-Us/Fact-Sheets/Display/Article/714509/343rd-recruiting-squadron/>

⁷⁷ 20th Intelligence Squadron. (2022). Available: <https://www.afhra.af.mil/About-Us/Fact-Sheets/Display/Article/862205/20-intelligence-squadron-acc/>

⁷⁸ 55th Wing Public Affairs. (November 17, 2017). Available: <https://www.offutt.af.mil/News/Article/1375455/laid-to-rest-dpaa-brings-record-number-of-service-members-home/>

⁷⁹ USAF Heartland of America Band. (2022). Available: <https://www.music.af.mil/Bands/US-Air-Force-Heartland-of-America-Band/About-Us/>

⁸⁰ Offutt Air Force Base Economic Impact Statement 2022. (2023). Available: <https://www.offutt.af.mil/Portals/97/Resources/2022%20Economic%20Impact%20Statement.pdf>

Active-Duty Air Force	6,046
Active Duty Army, Navy, Marines	870*
Total Nebraska-Based Military	6,916
Appropriated Fund Civilians	2,348
Total	9,264
*This number may include some Reservists, as the distribution of Active Duty and Reservists was not delineated in the Offutt AFB Economic Impact Statement 2022.	

Total payroll figures from the Offutt AFB Economic Impact Statement indicate over \$982.0 million in payroll to military and civilian members (see Table 5). The majority of payroll and benefits was spent on military members (\$524.7 million), with pay and benefits to appropriated civilian personnel totaling \$292.0 million. In addition, over \$487.2 million in general operating expenditures were spent in FY 2021. These costs were devoted to construction, service contracts, and other federal expenditures. In sum, about \$1.47 billion in total expenditures were made in FY 2022.

Payroll	Dollars
Military Members-All Services	\$524,656,020
Appropriated Fund Civilians	\$291,974,065
Other Civilian Employees	\$11,202,762
Contractors	\$154,196,129
Total Payroll	\$982,028,976
Base Expenditures	
Construction	\$40,999,016
Service Contracts	\$336,283,400
Other Federal Expenditures	\$109,863,794
Total Base Expenditures	\$487,146,210
Total Payroll and Expenditures	\$1,469,175,186
Source: Offutt Air Force Base Economic Impact Statement 2022.	

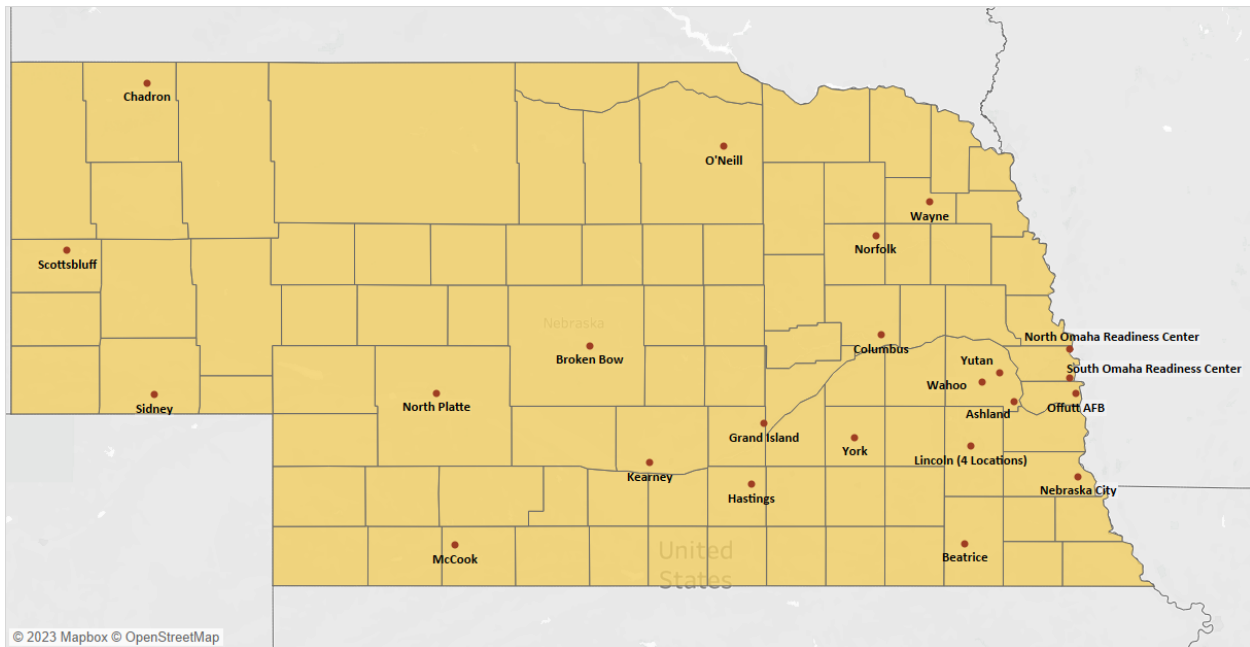
Nebraska National Guard, Air National Guard, and Nebraska Emergency Management Agency

The Army National Guard and the Air National Guard are two of the three components of the Nebraska Military Department. Under Title 32 of the U.S. Code, National Guard members are federally funded, yet are under state control. These units can be called under State Active Duty to help assist with emergencies and other scenarios in Nebraska and can also be called into duty under various interstate compacts to provide assistance in other states.

The National Guard maintains a considerable presence in locations throughout the state. Nebraska

National Guard locations are presented on the map in Figure 2 below. Collectively, the bases and installations in the state are referred to as “Fort Nebraska.” Comprising Fort Nebraska are 26 Readiness Centers and one Air National Guard Base distributed across 23 communities. Larger installations include Camp Ashland in Ashland, the Lincoln Army Aviation Support Facility/Readiness Center in Lincoln, the Greenleaf Training Site in Hastings, and the Mead Training Site. The Air National Guard maintains a large concentration of facilities at the Lincoln Municipal Airport. The Army National Guard operates smaller facilities in Beatrice, Broken Bow, Chadron, Columbus, Grand Island, Kearney, Lincoln, McCook, Nebraska City, Norfolk, North Platte, Omaha (North Omaha Readiness Center and South Omaha Readiness Center), Offutt AFB, O’Neill, Scottsbluff, Sidney, Wahoo, Wayne, York, and Yutan. All told, the Nebraska National Guard maintains over 2.7 million square feet of facilities and manages 6,434 acres of land in Nebraska.

Figure 2. Nebraska National Guard Locations



Key capabilities of the Nebraska National Guard include air refueling, military police, engineering, chemical, cavalry, support/maintenance, rotary aviation and medical. In line with the Department of Defense’s assessment of potential threats to U.S. national security interests, the Nebraska National Guard’s mission is focused on Great Power Competition to include the Russian sphere of influence, the growth of China, Iran’s aggression, North Korea’s belligerence, and the fight against terrorism in the Middle East. Accordingly, members of the Nebraska National Guard are currently mobilized to locations around the globe, with the greatest concentration of Nebraska National Guard members mobilized to countries in the U.S. Central Command (USCENTCOM) Area of Responsibility (AOR). The Nebraska National Guard also supports the health, safety, and welfare of Nebraskans and other citizens in need.

These facilities and locations provide employment and training opportunities for Nebraskans, and also provide support for Nebraska businesses which provide much of the contracted operational support at these facilities. Furthermore, National Guard members receive valuable vocational training during their

time with the Guard. While difficult to quantify, this training has the potential to enhance the occupational skillsets of National Guard members, thereby increasing the earning potential of these individuals in their civilian careers.

The Nebraska Emergency Management Agency (NEMA) is the third component of the Nebraska Military Department. The agency is located at the Joint Force Headquarters on the Nebraska National Guard base in Lincoln. According to correspondence with the Nebraska National Guard, there are 59 full-time positions dedicated to NEMA, funded through both state and federal funding streams. The agency focuses on four primary phases of emergency management: preparedness, response, recovery, and mitigation. NEMA works with partners at the local and federal levels to prepare for man-made or natural disasters. Once a disaster occurs, NEMA has an established procedure through which localities can request state assistance in the wake of a disaster. If a local entity does request and receive state support following an emergency, yet the state resources through the Governor’s Emergency Fund are insufficient for proper response, the state can in turn request support and assistance from the federal government. Table 6 provides a breakdown of positions relevant to the present report.

Table 6. Nebraska National Guard Employment, FY 2022	
Traditional National Guard	3,890
Active Guard Reserve Title 32	589
Active Duty Title 10	15
Total Military Personnel	4,494
Federally Funded State Personnel	132*
Military Department Total Personnel	4,626
Source: Direct communication with Nebraska National Guard Government Relations Specialist.	
*Forty-two of these positions are NEMA positions and not included in the economic impact estimates for the Nebraska National Guard in chapter 4 of this report.	

National Guard and NEMA Spending. Data related to the personnel employed by the Nebraska National Guard and Nebraska Air National Guard were derived from direct correspondence with the Nebraska National Guard.⁸¹ The data indicate there are 4,626 total federally-funded military and state employees across the Nebraska National Guard, air National Guard, and NEMA. As indicated in personal communication with the Nebraska National Guard, Military Department Payroll is \$153.5 million in federally funded salary for the National Guard. There are \$56.2 million in benefits and incentives as well. About \$29.3 million in federal operational funds are used to support the activities of the Nebraska National Guard.

Table 7 below presents these totals, derived from correspondence with personnel at the Nebraska National Guard. In the execution of the economic impact analysis presented in Chapter 4 of this report, analysts eliminated some categories of spending from the analysis. Therefore, the figures used in Chapter 4 may differ slightly from the figures presented here. More detail on what is included in the economic impact analysis is included in Chapter 4.

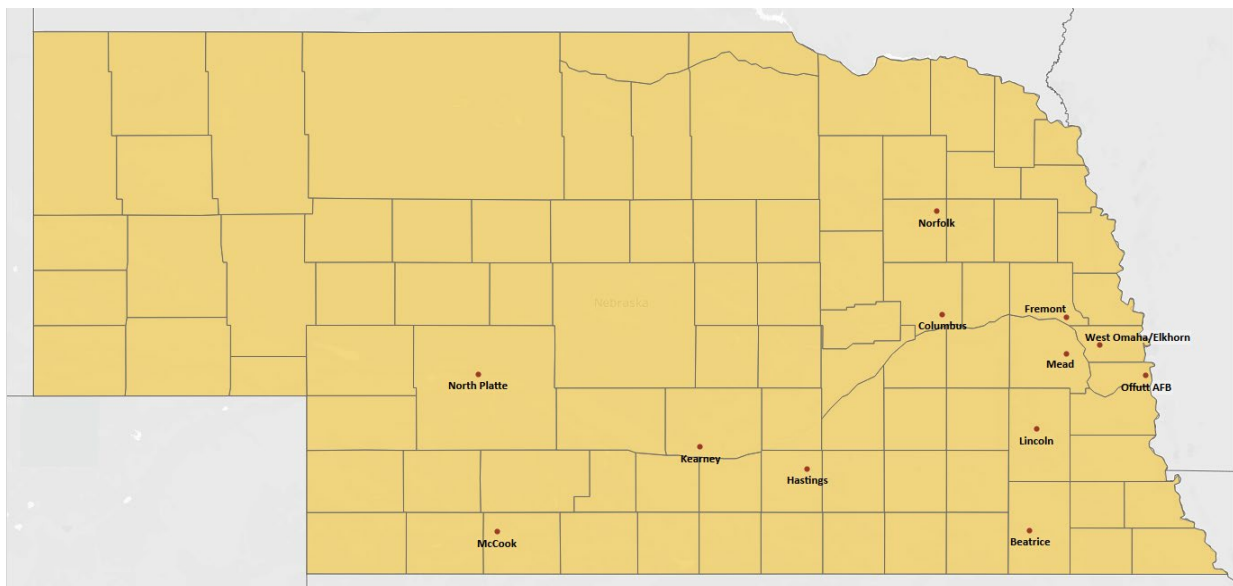
⁸¹ Nebraska National Guard, Government Relations Specialist. (September 26, 2022 and November 9, 2023). Email correspondence.

Table 7. Nebraska National Guard Payroll, Benefits, and Operations	
Federally Funded Payroll	\$153,525,079
Benefits	\$56,190,179*
Federally Funded Operational Funds	\$29,290,103
Total Payroll, Benefits and Operations	\$239,005,361
Source: Nebraska Military Department, Direct Communication	
*Benefits information was unavailable via direct communication with the Nebraska National Guard. Therefore, analysts computed this number by multiplying total non-federal payroll by .366, which is the ratio of benefits to payroll in the 2017 Nebraska National Guard Economic Impact Report.	

Reserve Components

Army Reserve. The Army Reserve is the Army’s federal reserve force that provides depth and support to the Joint Force. The Army Reserve provides access to trained and ready Soldiers, leaders, and cohesive units.⁸² The Army Reserve maintains facilities and units throughout Nebraska. Army Reservists serve in Beatrice, Columbus, Elkhorn (Omaha), Fremont, Hastings, Kearney, Lincoln, McCook, Mead, Norfolk, North Platte, and at Offutt AFB. These locations are presented on the map in Figure 3. In Nebraska, Army Reserve forces have medical, logistical, transportation, military police, engineering, and quartermaster capabilities.⁸³ Of note, in 2020, Children’s Hospital & Medical Center in Omaha received the Secretary of Defense Employer Support Freedom Award based on the nomination of an Army Reservist.⁸⁴

Figure 3. Army Reserve Locations in State of Nebraska



⁸² U.S. Army Reserve, About Us. (2023). Available: <http://www.usar.army.mil/About-Us/>

⁸³ U.S. Army Reserve, State of Nebraska and the United States Army Reserve. (2023). Available: <http://www.usar.army.mil/Featured/Ambassador-Program/Find-an-Ambassador/Nebraska/>

⁸⁴ Omaha World Herald, “Children’s Hospital earns top award for supporting staffer and her unit deployed to Afghanistan.” (September 5, 2020).

An FY 2022 report indicated that there were 1,310 Army Reserve personnel assigned throughout Nebraska. There were over \$41.1 million in payroll across military and civilian personnel (see Table 8).⁸⁵

	Number	Payroll
Army Reserve Personnel and Active Guard Reserve	1,310	\$36,677,056
Civilian Personnel	52	\$5,138,206
Total	1,362	\$41,815,262

Source: Army Reserve Ambassador Program, State of Nebraska: <https://www.usar.army.mil/AtAGlance/>

Air Force Reserve. The U.S. Air Force Reserve maintains a presence at Offutt AFB Nebraska. Offutt AFB is home to the 49th Intel Squadron (part of the 655th Intelligence, Surveillance, and Reconnaissance Group), the 960th Network Warfare Flight (part of the 960th Cyberspace Operations Group), HQ Support Air Force Elements (AFELM), the Readiness and Integration Organization Detachment, and the Central Recruiting Squadron Operation location. Across these organizations, 248 military and 6 civilian (254 total) employees are located at Offutt AFB. A 2022 economic impact report conducted by the Air Force Reserve Command indicated that salary for Reservists and Civilians is \$15.8 million and \$0.8 million in operations spending. This results in a total of \$16.6 million in salary and operations for these units (see Table 9).

	Number	Payroll and Operations
Air Force Reserve and Civilian Personnel	254	\$16.6 million

Source: Direct communication with Headquarters Air Force Reserve Command

U.S. Marine Corps Reserve. Omaha is home to Detachment 1, Maintenance Company of Combat Logistics Battalion 451, a part of the 4th Marine Logistics Group of the Marine Corps Forces Reserve. Located near the Metro Community College campus in North Omaha, Detachment 1 occupies 4.4 acres of land and maintains 42,226 square feet of facilities. As of FY 2022, personnel include 12 active-duty personnel, 4 active reserve personnel (three U.S. Marine Corps and one U.S. Navy), and 110 Reserve personnel, for a total of 126 personnel stationed in Omaha. Annual salary was \$2.80 million, and total annual operating costs were \$329,831.⁸⁶

Navy Reserve. The Navy Reserve Center (NRC) Omaha (formerly called the Navy Operational Support Center Omaha) is located on Offutt Air Force Base where it occupies an 18,914 square foot facility on 2.14 acres of land. In FY 2019, personnel included three active-duty personnel, nine active reserve personnel, and 258 Reserve personnel, for a total of 270 personnel stationed in Omaha. The salary paid between October 1, 2018 and August 31, 2019 was \$1.83 million. Total sustainment costs were \$2.28

⁸⁵ Nebraska Army Reserve Economic Impact Data obtained via State of Nebraska, Army Reserve Ambassador Program. (2023). Available: <https://www.usar.army.mil/Portals/98/Documents/At%20A%20Glance%202022/Nebraska01.jpg?ver=vAxzwOYh7tU8JqaN2Vxdpg%3d%3d>

⁸⁶ Marine Corps Reserve Point Paper. (2023). Document provided to authors.

million.⁸⁷ There have been no significant changes from FY 2019 to FY 2022.⁸⁸

U.S. Army Corps of Engineers. The U.S. Army Corps of Engineers (USACE), Omaha District plays a significant role in Nebraska and throughout the Missouri River Basin. The Corps is one of the largest Federal employers in Omaha and the state, with 709 employees located at the headquarters in downtown Omaha as of FY 2020. These employees help the Corps execute military construction, civil works, and environmental restoration projects in Nebraska and throughout the region. Communications with the USACE Omaha Division reveal a payroll of \$58.9 million (see Table 10).⁸⁹ Data from FY 2020 are the most recent available.

	Number	Payroll
Personnel	709	\$58,847,000

Source: Personal communication with U.S. Army Corps of Engineers, Omaha District. (2021).

In addition to its operations in Omaha, the Corps plays a vital role throughout Nebraska maintaining waterways, earthen dams, reservoirs, and one hydroelectric facility. Table 11 presents the total operation and maintenance budget for civil works conducted by the Corps in Nebraska in FY 2022. As the table indicates, operation and maintenance costs for Gavins Point Dam were about \$10 million, with an additional \$9.1 million in costs to operate and maintain Harlan County Lake in south central Nebraska. The maintenance costs for Harlan County Lake increased \$6.5 million, which may be attributed to the aquatic ecosystem restoration project planned for Harlan County Lake.⁹⁰ All told, \$21.9 million in operation and maintenance costs were accrued during FY 2022. These figures are consistent with operation and maintenance spending in recent years. When combined with the estimated payroll of personnel at USACE Omaha District Headquarters, there was about \$80.7 million in spending by the USACE in Nebraska in FY 2022.

	Operation	Maintenance	Total
Gavins Point Dam, Lewis and Clark Lake	\$8,259,000	\$1,834,000	\$10,093,000
Harlan County Lake	\$2,106,000	\$7,045,000	\$9,151,000
Missouri River – Kenslers Bend, NE to Sioux City, IA	\$82,000	\$35,000	\$117,000
Papillion Creek	\$802,000	\$394,000	\$1,196,000
Salt Creeks and Tributaries	\$1,132,000	\$205,000	\$1,337,000
Total			\$21,894,000

Source: Department of the Army Office, Assistant Secretary of the Army. (May, 2022). Fiscal Year 2022: Civil Works Budget of the U.S. Army Corps of Engineers. Available: <https://usace.contentdm.oclc.org/digital/collection/p16021coll6/id/2191>

⁸⁷ Navy Operational Support Center Omaha, Nebraska 2019 Economic Impact. Document provided to authors.

⁸⁸ Email correspondence with Navy Reserve Center Omaha (formerly Navy Operational Support Center Omaha). (December 2021).

⁸⁹ U.S. Army Corps of Engineers, Omaha District. Document provided to authors.

⁹⁰ U.S. Army Corps of Engineers. (May 18, 2022). Available: <https://www.nwk.usace.army.mil/Media/News-Releases/Article/3035425/102-million-aquatic-ecosystem-restoration-project-planned-for-harlan-county-lake/>

National Strategic Research Institute. The National Strategic Research Institute⁹¹ (NSRI) at the University of Nebraska (NU) was formed in 2012. NSRI is one of 14 University Affiliated Research Centers (UARCs) in the U.S., designated by the Office of the Secretary of Defense. NSRI is engaged in a long-term, strategic partnership with its DOD sponsor, U.S. Strategic Command, to provide mission critical research and development capabilities for the command as well as other DOD and federal government entities pursuing national security missions. Working with researchers from across NU, NSRI has five research focus areas comprised of several leading capabilities that are leveraged to meet evolving national security objectives in multiple domains: nuclear weapons enterprise support; technologies for detecting and countering biological, chemical and radiological weapons; medical countermeasures and response; threat-based training and exercise support; and mission-related research. In 2020, U.S. Strategic Command renewed its commitment to NSRI and NU by awarding a new five-year, \$92 million contract.⁹² The growth of NSRI demonstrates its continued potential to enable deterrence of, preparedness for, and response to strategic national security threats across multiple domains through research and support. NSRI currently employs 18 prior military personnel/veterans who provide subject matter expertise to the research focus areas and bridge the gap of operational missions with the research requirements. In October 2022, NSRI celebrated a decade of service.⁹³

⁹¹ National Strategic Research Institute. (2022). Available: <https://nsri.nebraska.edu/>

⁹² National Strategic Research Institute, "New \$92 million contract will expand University of Nebraska national defense research." (September 15, 2020). Available: [https://nsri.nebraska.edu/news/news-releases/2020/09/new-\\$92-million-contract-will-expand-university-of-nebraska-national-defense-research](https://nsri.nebraska.edu/news/news-releases/2020/09/new-$92-million-contract-will-expand-university-of-nebraska-national-defense-research)

⁹³ National Strategic Research Institute. (October 12, 2022). Available: <https://nsri.nebraska.edu/news/news-releases/2022/10/celebrating-a-decade>

3. Department of Defense Military Retiree and Veterans Affairs Spending

In addition to the personnel and operational costs associated with military installations, service in the military has a significant impact on Nebraska’s economy through the country’s support of veterans and retired military personnel. This chapter presents the total amount of federal and state spending on military retirees, spending made through the U.S. Department of Veterans Affairs, and through the State of Nebraska Department of Veterans’ Affairs. Data were obtained via publicly available federal and state sources.

Military Retirees paid by the DoD

According to the Statistical Report on the Military Retirement System, FY 2022, there are currently 14,538 military retirees in Nebraska.⁹⁴ This number is in line with 14,521 retirees in FY 2021; 14,609 retirees in FY 2020; 14,641 retirees in FY 2019; 14,600 in FY 2018; 14,654 retirees in FY 2017; and 14,660 retirees in FY 2016. Of the military retirees residing in Nebraska in FY 2022, 13,441 received pension payments from the Federal Government through the DoD; this number is down from 13,492 in FY 2021; 13,603 in FY 2020; 13,662 in FY 2019; and 13,636 paid retirees in FY 2018. In FY 2022, the total amount of monthly pension payments was \$35.2 million, which is up from recent years. Extrapolating this number across an entire calendar year, military retiree pension payments totaled \$422.4 million in the state. This figure is up from \$399.6 in FY 2021; \$397.2 in FY 2020; \$392.76 million in FY 2019; \$380.7 million in payments in FY 2018; and from \$373.32 million in payments in FY 2017. Table 12 below presents the total number of military retirees and total amount of payments per DoD branch in FY 2022.

	Military Retirees Receiving Compensation	Monthly Payments (in millions)	Annual Payments (in millions)
Air Force	7,825	\$22.5	\$270.0
Army	3,444	\$7.2	\$86.4
Marines	355	\$0.9	\$10.8
Navy	1,817	\$4.7	\$56.4
Total	13,441	\$35.2	\$422.4

Source: DoD Office of the Actuary, Statistical Report on the Military Retirement System, Fiscal Year 2022. Available: <https://media.defense.gov/2023/Oct/06/2003315292/-1/-1/0/MRS%20STATRPT%202022%20V999.PDF>

⁹⁴ DoD Office of the Actuary, “Statistical Report on the Military Retirement System, Fiscal Year 2022.” (2023). Available: <https://media.defense.gov/2023/Oct/06/2003315292/-1/-1/0/MRS%20STATRPT%202022%20V999.PDF>

U.S. Department of Veterans Affairs

The U.S. Department of Veterans Affairs (VA),⁹⁵ provides services in several locations throughout the state (see Figure 4).⁹⁶ Facilities include the Omaha VA Medical Center and the Grand Island VA Medical Center. VA Clinics exist in Bellevue, Gordon, Holdrege, Lincoln, Norfolk, North Platte, O’Neill, and Scottsbluff. The Grand Island VA Medical Center and Community-Based Outpatient Clinics in Bellevue, Holdrege, Lincoln, Norfolk, North Platte, and O’Neill fall under the VA Nebraska-Western Iowa Health Care System, a part of Veterans Integrated Service Network (VISN) 23: VA Midwest Health Care Network.⁹⁷ The Community Based Outpatient Clinic in Gordon and Scottsbluff (Panhandle of Nebraska CBOC) fall under the VA Black Hills Health Care System which is also a part of VISN 23.⁹⁸ The VA Multi- Specialty Outpatient Clinic in Sidney falls under the Cheyenne VA Medical Center, a part of VISN 19: Rocky Mountain Network.⁹⁹ “Vet Centers” in Omaha and Lincoln fall under the Veterans Health Administration and provide counseling, community outreach, and other service referrals. The Veterans Benefits Administration maintains two facilities in Nebraska, the Lincoln Regional Benefits Office and an Intake Site at Offutt AFB. The National Cemetery Administration maintains the Fort McPherson National Cemetery (near Maxwell), the Omaha National Cemetery and the Forest Lawn Cemetery Soldiers’ Lot (also in Omaha).

Across its various locations in Nebraska, the VA provides a wide variety of services to the many veterans living in the state. These services include the full range of health services to meet the needs of Nebraska veterans. Locations also provide services to homeless veterans and help provide housing options to at-risk veterans.

⁹⁵ For the purposes of this report, we will use “VA” to abbreviate U.S. Department of Veterans Affairs instead of USDVA which is commonly used. For the Nebraska Department of Veterans’ Affairs we will use “NDVA.”

⁹⁶ U.S. Department of Veterans Affairs, VA Locations and Facilities in Nebraska. (October 2023). Available: https://www.va.gov/Directory/guide/fac_list_by_state.cfm?State=NE&dnum=All

⁹⁷ VA Nebraska-Western Iowa Health Care System. (2023). Available: <https://www.nebraska.va.gov/>

⁹⁸ VA Black Hills Health Care System. (2023). Available: <https://www.blackhills.va.gov/>

⁹⁹ Sidney VA MSOC. (2023). Available: https://www.cheyenne.va.gov/locations/Sidney_VA_MSOC.asp

Figure 4. VA Facilities and Locations in the State of Nebraska

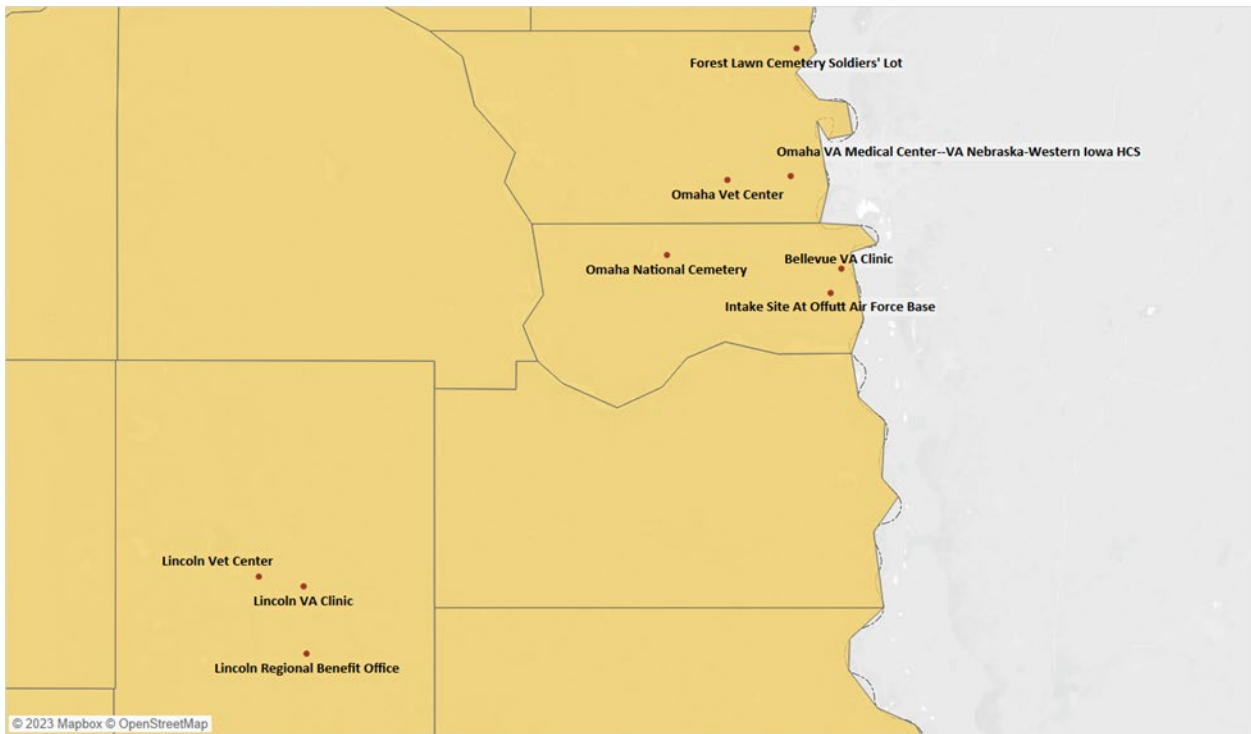
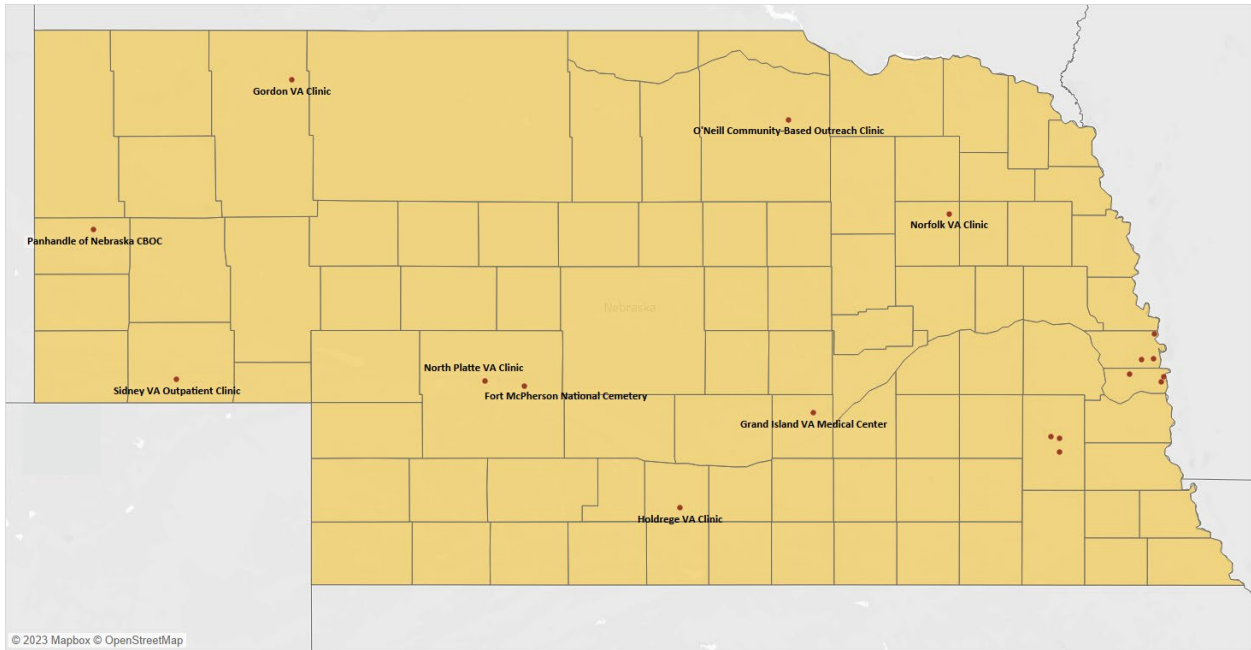


Table 13. Total VA Spending in Nebraska, FY 2017 to 2022 (in millions)						
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Compensation & Pension	\$582.54	\$554.79	\$645.76	\$698.16	\$724.61	\$856.67
Construction	\$17.00	\$12.51	\$37.99	\$48.40	\$13.62	\$8.06
Education & Vocational Rehabilitation/ Employment	\$61.91	\$56.84	\$64.76	\$59.47	\$52.73	\$47.54
General Operating Expenses	\$40.74	\$41.12	\$45.52	\$48.06	\$17.01	\$41.18
Insurance & Indemnities	\$12.31	\$10.96	\$9.72	\$8.86	\$9.66	\$6.88
Medical Care	\$496.29	\$515.43	\$552.46	\$649.94	\$662.07	\$836.79
Total FY Spending	\$1,210.79	\$1,191.64	\$1,356.20	\$1,512.90	\$1,479.71	\$1,797.12
Unique Patients	48,179	48,273	48,458	47,754	51,505	49,221
Spend per Unique Patient	\$25,115	\$24,685	\$27,987	\$31,681	\$28,729	\$36,511
Source: FY 2022 data derived from: U.S. Department of Veterans Affairs, National Center for Veterans Analysis and Statistics, Geographic Distribution of Expenditures, Fiscal Year 2022. FY 2021, 2020, 2019, 2018, and 2017 data derived from previous years' reports.						

To understand the general distribution of VA dollars in Nebraska, it is useful to examine VA spending levels in each county. Figure 7 presents the total amount of VA spending per county in Nebraska in FY 2022. Once again, the largest spending totals are seen in the counties with the highest numbers of military veterans. It is likely that VA spending contributes to health care spending as veterans purchase health care and related services primarily in the county in which they live. However, it is also likely that a significant proportion of veterans in rural counties must travel to population centers to receive required health care. It is clear from the map that VA spending impacts every county in the state, contributing millions of dollars to the state and local economies.

GI Bill Spending and Utilization. One important aspect of VA spending is the GI Bill program. The GI Bill allows veterans with active-duty educational benefits, provides a living allowance, provides money for books, and is transferable to spouses and children. Note that this spending flow does not appear in Table 13 above. According to information from the VA,¹⁰¹ there were 5,088 students utilizing some type of GI Bill program in CY 2022, the most recent year for which data are available. Of these, 3,384 students utilized the Post-9/11 GI Bill program. The numbers suggest a decrease in GI Bill usage from earlier years, as 5,432 students utilized the program in 2020; 6,020 students utilized some type of GI Bill program in 2019, 6,260 students utilized GI Bill benefits in 2018, and 6,506 students utilized GI Bill benefits in 2017.

In CY 2022, Nebraska schools received \$20.8 million in tuition spending from eligible students utilizing the Post-9/11 GI Bill program. This is an increase from the \$19.4 million spent in 2020, but still a decrease from the \$23.1 million in tuition spending from eligible students utilizing the Post-9/11 GI Bill program in 2019, and a decrease from the \$22.6 million in GI Bill spending that took place in 2018. While GI Bill spending has decreased in recent years, it is clear that Nebraska Colleges and Universities, as well as the broader economy, benefit from the spending that takes place in Nebraska by GI Bill beneficiaries.

Nebraska Department of Veterans' Affairs

The Nebraska Department of Veterans' Affairs (NDVA) also provides health care-related services to veterans in the state. NDVA operates four veterans' homes located in Bellevue, Kearney, Norfolk, and Scottsbluff. These homes provide a variety of medical, nursing, and rehabilitative services. The services range from assisted living care to skilled nursing care.¹⁰² The Veterans' Homes Board makes "all final determinations regarding admission, or continued admission, to one of the homes."¹⁰³ Eligible members include veterans who served on active duty, who were discharged or otherwise separated with a characterization of honorable or general, and who lived in Nebraska for at least two years in their lifetime. Veterans must be disabled due to service or age, are at least partially dependent on public support, or that require care that can only be provided in a public facility. Spouses, widows, and widowers of veterans are eligible, as are Gold Star mothers and fathers.

Table 14 below presents the Nebraska Department of Veterans Affairs Budget for the 2017-2019 legislative biennium and the 2019-2021 legislative biennium. In FY 2017-2018, total agency appropriations were \$65.97 million. Appropriations for FY 2018-2019 increased to \$66.69 million. In FY 2019-2020, agency appropriations are \$68.25 million. In FY 2020-2021, appropriations total \$69.63 million. This represents a 5.6% increase from FY 2017-2018 to FY 2020-2021.

It is important to keep in mind that the state dollars in support of operations can be used to help attract greater levels of federal funding to the state. For example, Nebraska Veterans State Service Officers (and County Veterans Service Officers) assist Nebraska veterans by determining eligibility for benefits from the VA or other federal programs. Thus, the state dollars used to fund State Service Officers are leveraged to obtain greater levels of federal funds in support of veterans. Note that payroll supported by the State of Nebraska general fund is not included in the direct economic impact for the purposes of this report. Notionally, state funds would be spent by Nebraska taxpayers within the Nebraska economy.

¹⁰¹ Data for this analysis can be found at the VA GI Comparison Tool Website. (2023). Available: https://www.benefits.va.gov/GIBILL/docs/job_aids/ComparisonToolData.xlsx

¹⁰² Nebraska Revised Statute 80-316. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=80-316>

¹⁰³ Nebraska Revised Statute 80-319. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=80-319>

Additionally, if State of Nebraska general funds were not spent to support the Nebraska Department of Veterans’ Affairs it is highly likely that the general funds would be spent within the Nebraska economy by the State of Nebraska. For the purposes of this report, federal tax revenue from Nebraska which “has left the State of Nebraska” is assumed to “return to the Nebraska economy” due to the presence of Nebraska Veterans Homes. Other operations include NDVA’s administration of temporary emergency aid through the Nebraska Veterans Aid Fund.¹⁰⁴ Veterans’ Aid Fund payments for State fiscal years 2017-2018, 2018-2019, 2019-2020, 2020-2021, and 2021-2022 were \$1,450,671, \$1,974,160, \$1,663,185, \$959,605, and \$970,957 respectively.¹⁰⁵ NDVA is also responsible for the Nebraska Veterans Cemetery at Alliance which was recently ranked “in the top 3% to 5% of cemeteries inspected” by the USDVA’s National Cemetery Administration.¹⁰⁶

	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023
General Fund	\$25,365,014	\$25,901,529	\$26,582,179	\$27,182,314	\$31,905,888	\$41,601,098
Cash Fund	\$15,939,311	\$15,888,622	\$16,254,758	\$16,578,388	\$16,120,144	\$51,524,284
Federal Dollars	\$24,663,084	\$24,898,861	\$25,414,794	\$25,870,637	\$22,870,637	\$48,948,581
Agency Total	\$65,967,409	\$66,689,012	\$68,251,731	\$69,631,339	\$70,896,669	\$142,073,963

Sources: State of Nebraska, Administrative Services, State Budget Division: Program Appropriations by Fund Type, 2017-2019 Biennium. Available: [https://budget.nebraska.gov/assets/program-appropriations-summary-by-fund-type-\(2018-session\).pdf](https://budget.nebraska.gov/assets/program-appropriations-summary-by-fund-type-(2018-session).pdf)
State of Nebraska, Administrative Services, State Budget Division: Program Appropriations by Fund Type, 2019-2021 Biennium. Available: [https://budget.nebraska.gov/assets/program-appropriations-summary-by-fund-type-\(2019-session\).pdf](https://budget.nebraska.gov/assets/program-appropriations-summary-by-fund-type-(2019-session).pdf)
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¹⁰⁴ Nebraska Veterans Aid Fund. (2023). Available: <https://veterans.nebraska.gov/nebraska-veterans-aid-fund-nva>

¹⁰⁵ Nebraska Department of Veterans’ Affairs, Annual Statistics FY 2022. (October 2022). Email correspondence.

¹⁰⁶ Nebraska Department of Veterans’ Affairs, Available at: <https://veterans.nebraska.gov/nebraska-state-veterans-cemetery-alliance-gets-%E2%80%98%E2%80%99-survey>

4. Economic Impact Analysis

The description of Nebraska military bases indicated tens of thousands of jobs and approximately one billion dollars in annual payroll along with hundreds of millions of dollars of operating expenses. This level of economic activity portends a substantial annual impact on the Nebraska economy. The primary purpose of this chapter is to estimate that annual economic impact from military assets in Nebraska.¹⁰⁷ The impact includes the direct employment and economic activity at the bases as well as the multiplier impact, the impact which occurs at other Nebraska businesses due to services purchased for military bases and as members of the military and civilians working at the bases spend their paychecks. The economic impact is estimated in terms of economic output (business sales), employee compensation (wages and benefits) and employment.

The chapter also estimates the impact on the Nebraska economy from pensions, health care services and other benefits received by DoD military retirees and other veterans. Impacts include direct employment at the U.S. Department of Veterans Affairs and other health care facilities in Nebraska and private businesses throughout the state as DoD military retirees and other veterans spend their paychecks.

Economic Impact Methodology

Spending on military bases, military pension payments and U.S. Veterans Affairs spending in Nebraska generates an increase in economic activity in Nebraska. This is known as the direct economic impact. There is also a “multiplier” impact throughout the Nebraska economy. Focusing on the impact from military bases, the multiplier impact occurs as initial base spending circulates within the local economy. In particular, the multiplier impact occurs because military personnel spend their paychecks throughout the local economy on typical household expenditures such as food, health care, housing, insurance, apparel, and entertainment, or as veterans spend payments from the Veteran’s Administration or military pensions. There also may be a multiplier impact as the military purchases of supplies to operate a base over the course of a year. The multiplier impact captures how businesses throughout the Nebraska economy gain from the money attracted to Nebraska due to military activity.

Economic multipliers are used to estimate the multiplier impact. An economic multiplier shows the ratio of the multiplier impact to the direct impact. For example, an employee compensation multiplier would show the dollars and cents of multiplier compensation for each \$1 of direct employee compensation. An employee compensation multiplier of 0.6 would imply that there is \$0.60 of employee compensation at other Nebraska businesses for each \$1 of compensation at a Nebraska military base. Economic multipliers can be calculated for Nebraska for output, employee compensation and employment. Economic multipliers are calculated with the IMPLAN model software. The IMPLAN model software is the leading multiplier model with capacity to estimate the economic impact of businesses and organizations in nearly 500 industries or public sectors, in cities, counties, states, or combinations of states and/or counties. “Federal government, military” is one sector in the IMPLAN model and is used to estimate multiplier impacts for Nebraska military bases. The IMPLAN model contains appropriate industry detail to calculate unique economic multipliers for each relevant industry or type of household spending.¹⁰⁸

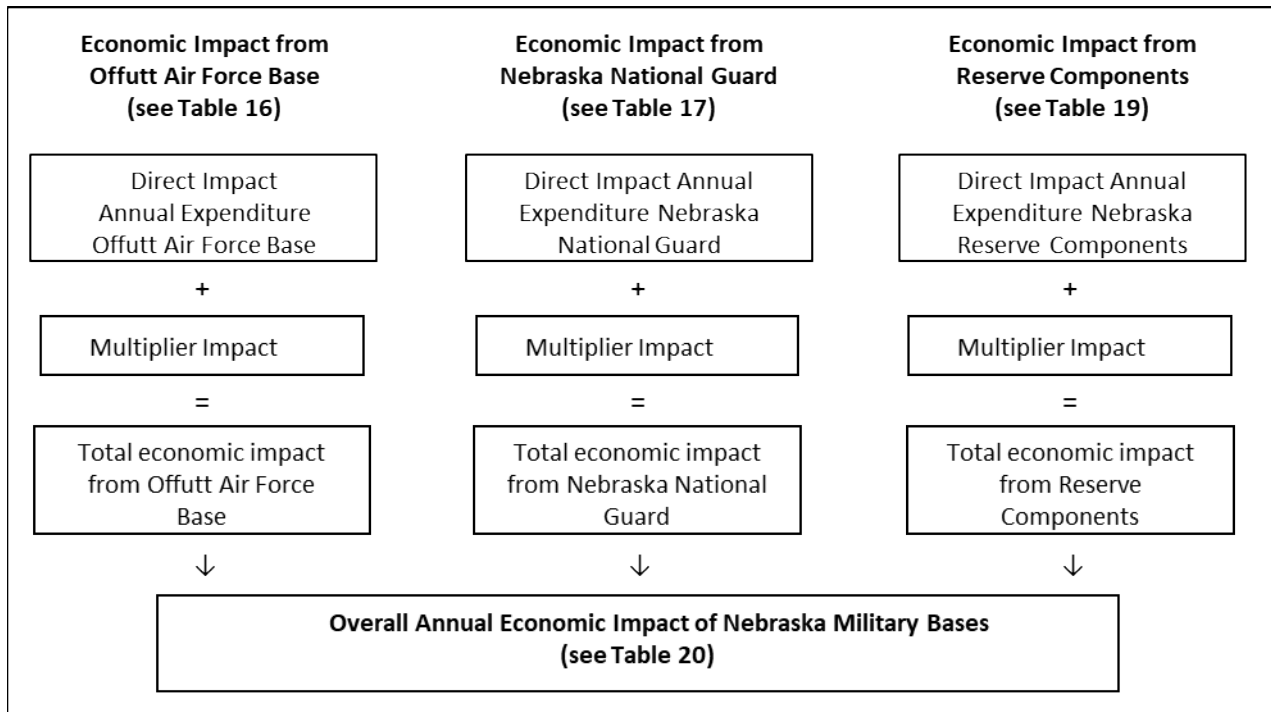
¹⁰⁷ Nebraska Revised Statute 55-606. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-606>

¹⁰⁸ Income from military pensions and veteran compensation only generates a multiplier impact as income is spent.

Economic Impact of Military Spending

Military bases generate an economic impact on Nebraska by employing military personnel and contractors and through other aspects of operations such as purchasing utilities. In some years, there is also an impact from major construction projects. For Nebraska, the largest economic impact is from Offutt Air Base but there is also an impact from the Nebraska National Guard and from the Reserve Components. Figure 9 shows how the annual economic impact will be calculated for the operations of Nebraska military assets: Offutt Air Force Base, Nebraska National Guard, and Reserve Components. The total economic impact for each component is the sum of the direct spending impact and the multiplier impact.

Figure 9. Approach for Calculating the Annual Economic Impact of Military Assets on Nebraska



Offutt Air Force Base. The report *Offutt Air Force Base Economic Impact Statement 2022*¹⁰⁹ reported military and civilian employment at the base of 9,264 and \$816.6 million¹¹⁰ in military and civilian payroll. Payroll is combined with \$98.7 million in other federal expenditures to yield a direct output impact of \$915.3 million. The output, payroll (employee compensation) and employment values are reported in Table 15.

The report *Offutt Air Force Base Economic Impact Statement 2022* further indicates that there is spending of \$336.3 million on service contracts. Detailed information available for fiscal year 2016 indicates that

¹⁰⁹ Offutt Air Force Base Economic Impact Statement 2022. (2023). Available: <https://www.offutt.af.mil/Portals/97/Resources/2022%20Economic%20Impact%20Analysis%20v2.pdf>

¹¹⁰ Employment at the Base Exchange and on-base branch of the Cobalt Credit Union is not included in the employment figure. These jobs will be captured in the multiplier impact. Payroll for base jobs used in the economic impact also do not reflect payroll for the Base Exchange and Cobalt Credit Union.

84.3% of contract spending that year was with businesses which performed the service act at Offutt Air Force Base or in Bellevue. If remaining spending is assumed to occur out of state, applying this percentage to fiscal year 2022 contract spending yields an estimated \$283.6 million in service contracts let to businesses located in Nebraska (either a Nebraska company or a company conducting the work at a Nebraska location). These values are also reported in Table 15. Based on industry averages available from the IMPLAN model and the distribution of contract services among industries in the *Offutt Air Force Base Economic Impact 2016* document, that level of service contract spending would support direct employment in Nebraska of 1,938 full-year equivalent jobs with employee compensation of \$117.8 million. These values also are reported in Table 15, along with a footnote to indicate that the figures are estimates using IMPLAN.

Offutt Air Force Base Economic Impact Statement 2022 also reports construction spending during fiscal year 2022 of \$41.0 million. Based on industry averages available from the IMPLAN model, that level of construction spending would support an estimated 266 full-year jobs and \$16.1 million in employee compensation during the year. Table 15 also shows totals. The total direct output impact of Offutt Air Force Base during Fiscal Year 2022 was \$1,239.9 million. The total direct impact in terms of employee compensation is \$950.5 million and the direct employment impact is 11,468 jobs.

	Output (Millions of \$)	Employee Compensation (Millions of \$)	Employment
Military and Civilian	\$915.3	\$816.6	9,264
Service Contracts	\$283.6	\$117.8 ¹	1,938 ¹
Construction	\$41.0	\$16.1 ¹	266 ¹
Total	\$1,239.9	\$950.5	11,468

Source: *Offutt Air Force Base Economic Impact Statement 2022* and BBR calculations using IMPLAN
¹ Indicates value estimated using IMPLAN; otherwise estimates from source document

These values also are included in Table 16, in the direct impact column. The table further includes an estimate of the annual multiplier impact on the Nebraska economy for Fiscal Year 2022. The multiplier impacts are calculated by the UNL Bureau of Business Research utilizing the IMPLAN model. The total annual economic impact is the sum of the direct and multiplier impacts. The total annual impact from Offutt Air Force Base during Fiscal Year 2022 was \$2,090.1 million in output, including \$1,221.0 million in employee compensation paid to 16,707 workers.

	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$1,239.9	\$850.2	\$2,090.1
Employee Compensation (Millions of \$)	\$950.5	\$270.4	\$1,221.0
Employment	11,468	5,239	16,707

Source: *Offutt Air Force Base Economic Impact Statement 2022* and BBR calculations using IMPLAN

National Guard. The Nebraska National Guard also generates an economic impact on the state by drawing in resources to employ military personnel and operate base facilities. Economic impact analysis focused on data for the Nebraska Military Department. All 4,626 employees (some of which are part-time) of these three agencies are in positions fully or partially supported by federal funds or federal funds which pass through Nebraska state government, and are therefore part of the direct employment impact on Nebraska.¹¹¹ These employees receive payroll support and benefits of \$164.3.9 million from the federal government, again either directly or passed-through state government.¹¹² Bonus payments are the only benefits included in this figure. Note that payroll supported by the State of Nebraska general fund is not included in the direct economic impact. Similarly, Nebraska Capital Construction Funds are not included in the direct economic impact.¹¹³ Notionally, state funds would be spent by Nebraska taxpayers within the Nebraska economy. Additionally, if State of Nebraska general funds were not spent to support the Nebraska Army National Guard or Nebraska Air National Guard it is highly likely that the general funds would be spent within the Nebraska economy by the State of Nebraska. Thus, there is no net economic impact on the Nebraska economy from reducing consumer spending to increase Army National Guard and Air National Guard spending from State of Nebraska general funds.

In contrast, federal tax revenue from Nebraska which “has left the State of Nebraska” is assumed to “return to the Nebraska economy” due to the presence of military assets. An additional \$78.4 million in operations and maintenance funds and funds for cooperative agreements appropriated by the Federal Government, including federal tuition assistance, is combined with payroll information to yield the direct output impact of \$242.6 million.¹¹⁴

Table 17 shows the total annual economic impact of the Nebraska National Guard on the state during Fiscal Year 2022.¹¹⁵ The total annual impact includes the direct impacts and the multiplier impacts calculated by the UNL Bureau of Business Research utilizing the IMPLAN model. The annual impact from the Nebraska National Guard was \$371.3 million in terms of output, including \$204.2 million in employee compensation paid to workers in 5,483 jobs.

¹¹¹ State-funded NEMA employees were not included in the present analysis.

¹¹² Given that NEMA employees are not counted in the current analysis, the salary total used in the economic impact estimate is lower than the figure presented in Chapter 2.

¹¹³ This report does not include an estimate of the impact from National Guard capital construction fund projects, but could include the federal portion of any capital construction.

¹¹⁴ Given that NEMA employees are not counted in the current analysis, the output total used in the economic impact estimate is lower than the figure presented in Chapter 2.

¹¹⁵ Note that the figures in Table 17 are computed using actual dollar figures reported by the Nebraska National Guard via email and in the Nebraska National Guard Annual Economic Impact Report (2020). This differs slightly from the analysis of Offutt Air Force Base/USSTRATCOM in Tables 15 and 16 above, where IMPLAN was used to first derive economic impact estimates of general expenditures, service contracts, and construction spending in Table 15, followed by an analysis of the total impact of these three spending components in Table 16. A different approach was taken for Offutt Air Force Base/USSTRATCOM because service contract spending represents a more complex line of spending. Because contract spending was directly reported in the Offutt Air Force Base Annual Report, it provided the opportunity to isolate this spending and derive an economic impact estimate from it. The methodology used in this report is consistent with the approach utilized in previous years' reports.

	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$242.6	\$128.6	\$371.3
Employee Compensation (Millions of \$)	\$164.3	\$39.9	\$204.2
Employment	4,626	857	5,483

Source: Nebraska National Guard (Email correspondence) and BBR calculations using IMPLAN.

Reserve Forces. The Air Force, Army, Marine Corps and Navy Reserve also generate an economic impact on the State of Nebraska. Table 18 shows the direct annual economic impact in terms of employment, payroll (payroll) and output (payroll plus operating costs) reported for each branch of the Reserves.¹¹⁶ Data from the Army Reserve are for 2020, data from the Air Force Reserve are for Fiscal Year 2022 and data from the Marine Reserve are for Fiscal Year 2023. The Navy Reserve confirmed that data for 2020 was not significantly different from 2019 so values from the 2019 study are utilized.

	Output (Millions of \$)	Employee Compensation (Millions of \$)	Employment
Air Force Reserve	\$16.9	\$15.8	254
Army Reserve	\$41.5	\$40.8	1,362
Marine Corps Reserve	\$3.1	\$2.8	126
Navy Reserve	\$4.1	\$1.8	270
Total	\$65.4	\$61.3	2,012

Source: FY 2022 Air Force Reserve Command Economic Impact Analysis, Army Reserve Impacts FY 2020 (By The Numbers), U.S. Marine Corps Reserve (Omaha Nebraska) Economic Impact FY2023, Navy Operational Support Center Omaha, NE Economic Impact 2019

The total direct economic impact of Reserve Components in Nebraska is \$65.4 million over a one-year period. The impact includes \$61.3 million in compensation spread over 2,012 jobs.

These values also are included in Table 19, in the direct impact column. The Table further includes an estimate of the annual multiplier impact on the Nebraska economy. The multiplier impacts are calculated by the UNL Bureau of Business Research utilizing the IMPLAN model. The total annual economic impact is the sum of the direct and multiplier impacts. The total annual impact from the Nebraska Reserves was \$111.5 million in output, including \$76.1 million in employee compensation paid to workers in 2,283 jobs.

¹¹⁶ FY 2022 Air Force Reserve Command Economic Impact Analysis, Army Reserve Impacts FY 2020 (By The Numbers), U.S. Marine Corps Reserve (Omaha Nebraska) Economic Impact FY2023, Navy Operational Support Center Omaha, NE Economic Impact 2019

	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$65.4	\$46.1	\$111.5
Employee Compensation (Millions of \$)	\$61.3	\$14.9	\$76.1
Employment	2,012	271	2,283

Source: FY 2022 Air Force Reserve Command Economic Impact Analysis, Army Reserve Impacts FY 2020 (By The Numbers), U.S. Marine Corps Reserve (Omaha Nebraska) Economic Impact FY2022, Navy Operational Support Center Omaha, NE Economic Impact 2019, and BBR calculations using IMPLAN

Overall Annual Economic Impact of Nebraska Military Assets. The overall annual impact is the sum of the impact from Offutt Air Force, National Guard and Reserve bases in the state which was summarized in Tables 16, 17, and 19. These impacts are summed and presented in Table 20 below. The overall annual economic impact from Nebraska military bases was \$2,572.9 million in terms of output, including \$1,501.3 million in employee compensation paid to workers in 24,474 jobs. When interpreting these numbers through the lens of an input-output analysis, it is possible to say that the multiplier effect is 1.66.

	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$1,547.9	\$1,025.0	\$2,572.9
Employee Compensation (Millions of \$)	\$1,176.1	\$325.2	\$1,501.3
Employment	18,106	6,368	24,474

Source: BBR calculations using IMPLAN

Economic Impact of Military Retirement Pensions

The multiplier approach also is used to calculate the economic impact from DoD military pension and Veterans Affairs expenditures in Nebraska. This spending includes pensions for military retirees and veteran compensation, spending on Veterans Affairs operations and construction, and Veterans Affairs services such as health care, education and vocational rehabilitation. There were \$462.3 million in payments by the military retirement system to residents of Nebraska during Fiscal Year 2022, according to the *Statistical Report on the Military Retirement System Fiscal Year 2022* (DoD Office of the Actuary, 2023). These payments were made to 14,561 eligible DoD military retirees living in the state. The payments impact the Nebraska economy but do not result in economic activity in the state until the income is spent. As a result, there is no direct economic impact from the payments, however, there is a substantial multiplier impact. The multiplier impact occurs as retiree households spend their payments at Nebraska businesses including retail stores, restaurants, rent, health services, insurance and entertainment and recreation.¹¹⁷ The multiplier impact is also the total economic impact of the Military Retirement System. Table 21 shows the total annual economic impact on Nebraska from military

¹¹⁷ The multiplier impact is little higher than the amount of military retirement payments for two reasons. First, a portion of the income received by Nebraska military retirees is spent in other states. Second, for retail spending such as groceries, clothing and gasoline, only the mark-up portion of spending generates an impact on the local economy, as most retail items are manufactured or refined in other parts of the country or other parts of the world.

retirement payments during Fiscal Year 2022. The annual impact from military retirement payment was \$485.1 million in terms of output, including \$157.2 million in employee compensation paid to workers in 2,904 jobs.

	Output (Millions \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Total Economic Impact	\$485.1	\$157.2	2,904

Source: *Statistical Report on the Military Retirement System Fiscal Year 2022* and BBR calculations using IMPLAN

Economic Impact of Veterans Affairs Spending

The U.S. Department of Veterans Affairs spent \$1.80 billion in the State of Nebraska during Fiscal Year 2022, according to the report *Geographic Distribution of VA Expenditures for Fiscal Year 2022* produced by the National Center for Veterans Analysis and Statistics. The U.S. Department of Veterans Affairs spent on a variety of programs including compensation and pensions for injured veterans, vocational rehabilitation, education services and health care services. The administration also had general operating expenses for providing veterans programs in Nebraska and spent on facilities construction. Table 22 shows Fiscal Year 2022 spending by purpose and program. The largest components of spending are for compensation and pensions and medical care, with education and vocational rehabilitation programs third. General operating expenses for Veterans Affairs programs in Nebraska was \$41.2 million.

Purpose/Program	Amount Fiscal Year 2022 (Millions \$)
General Operating Expenses	\$41.2
Construction	\$8.1
Compensation and Pension	\$856.7
Medical Care	\$836.8
Education & Vocational Rehabilitation/Employment	\$47.5
Insurance & Indemnities	\$6.9

Source: *Geographic Distribution of VA Expenditures for Fiscal Year 2022*

Table 23 shows the direct impact, multiplier impact, and total economic impact for each purpose and program. The impact is presented in terms of output, since output is the broadest measure of economic activity. With two exceptions, the expenditures reported in Table 22 are also the direct economic impact on Nebraska. The first exception is the compensation and pensions categories. Like payments from the military retirement system, these Veterans Affairs compensation and pension payments do not generate a direct economic impact but do lead to a multiplier impact as the money is spent at Nebraska businesses. The second exception is the expenditures on the insurance and indemnities program. These are payments received as part of insurance programs sponsored by the VA. As with all insurance, the insurance benefit payments are in part supported by premiums. In other words, benefit payments are not necessarily new money for the Nebraska economy since premium payments are made by Nebraskans. While insurance policies may be subsidized, the conservative assumption is to assume

that premium payments by Nebraskans are the source of these funds and there is therefore no direct impact, or multiplier impact, on the economy from Veterans Affairs insurance and indemnity payments.

Table 23 also shows multiplier impacts. Multiplier impacts are estimated using economic multipliers developed from IMPLAN. The largest annual economic impact is from Veterans Affairs spending on medical care. The annual economic impact is \$1,527.7 million, including a direct economic impact of \$836.8 and a multiplier impact of \$690.9. The total annual economic impact from employee compensation and pension payments is \$899.0 million. The total annual economic impact from all Veterans Affairs spending in Nebraska was \$2,596.5 during Fiscal Year 2022. From an input-output perspective, the multiplier effect for VA spending was 1.80.

Impact in Terms of Output	Direct Impact (Millions \$)	Multiplier Impact (Millions \$)	Total Impact (Millions \$)
General Operating Expenses	\$41.2	\$21.7	\$62.9
Construction	\$8.1	\$5.4	\$13.5
Compensation and Pension	\$0.0 ^a	\$899.0	\$899.0
Medical Care	\$836.8	\$690.9	\$1,527.7
Education & Vocational Rehabilitation/Employment	\$47.5	\$45.9	\$98.4
Total			\$2,596.5

Source: *Geographic Distribution of VA Expenditures for Fiscal Year 2022* and BBR calculations using IMPLAN

^a There was \$856.7 million in VA Compensation and Pension payments in FY 2022. This dollar figure is not included as a Direct Impact as it represents a type of household payment, the effect of which is not felt until the money is spent in Nebraska and other states. Nonetheless, the impact of this spending is included in the IMPLAN model, as seen by the \$899.0 million in induced (or multiplier impact) spending. Induced effects capture business activity as employees spend their paychecks on goods and services.

Table 24 shows the total economic impact of Veterans Affairs spending on Nebraska by program for the two additional measures of impact: employee compensation and employment. The total estimated annual impact across all purposes and programs was \$1,104.6 million in employee compensation paid to workers in 18,561 jobs. Once again, the largest contribution to the annual impact was Veterans Affairs spending on medical care followed by spending on compensation and pensions.

	Employee Compensation (Millions \$)	Employment (Jobs)
General Operating Expenses	\$36.0	370
Construction	\$4.9	84
Compensation and Pension	\$291.3	5,381
Medical Care	\$736.7	11,827
Education & Vocational Rehabilitation/Employment	\$35.6	900
Total	\$1,104.6	18,561

Source: *Geographic Distribution of VA Expenditures for Fiscal Year 2022* and BBR calculations using IMPLAN

Economic Impact of the Army Corps of Engineers

Corps employees execute military construction, civil works, and environmental projects in Nebraska and throughout the Missouri River Basin. In 2020, the U.S. Army Corps of Engineers (USACE) Omaha Division had 709 employees at its headquarters in downtown Omaha, with an annual payroll of \$58.8 million.

USACE also had operations and maintenance projects within Nebraska totaling \$21.89 million during Fiscal Year 2022. Table 25 shows the annual economic impact of the Omaha Headquarters, operations and maintenance projects within Nebraska, and the USACE overall. The total impact is presented, which reflects both the direct and multiplier impact. The USACE Omaha Division headquarters has an annual economic impact of \$120.1 million while USACE operations and maintenance had an annual impact of \$39.4 million during FY 2022. The total annual impact of USACE overall is \$159.4 million, including \$102.2 million in employee compensation spread over 1,392 jobs.

Table 25. The Total Annual Economic Impact of the U.S. Army Corps of Engineers on the Nebraska Economy

	Output (Millions \$)	Employee Compensation (Millions \$)	Employment (Jobs)
USACE Headquarters	\$120.2	\$73.4	1,018
USACE Operations and Maintenance	\$39.4	\$28.9	374
USACE Total	\$159.4	\$102.2	1,392

Source: Correspondence with the U.S. Army Corp of Engineers Omaha Office. Fiscal Year 2020: Civil Works Budget of the U.S. Army Corps of Engineers. Available: <https://usace.contentdm.oclc.org/utils/getfile/collection/p16021coll6/id/2109>

Economic Impact of GI Bill Benefits for Higher Education

GI Bill benefits support higher education spending in Nebraska. According to the VA GI Bill Comparison Tool Data, GI Bill or Post-911 GI Bill students in Nebraska received \$20.8 million worth of tuition and fee benefits during FY 2022. These benefits increased higher education spending in Nebraska with a resulting economic impact on the state economy. The economic impact is summarized in Table 26. The direct output is the \$20.8 million in spending at both private and public higher education institutions. The IMPLAN model provides estimates of employee compensation and employment in the higher education industry associated with \$20.8 million in tuition and fee spending. The IMPLAN model is also used to calculate the multiplier impact. The direct and multiplier impacts are summed to estimate the total economic impact in FY 2022. The total annual impact of GI Bill higher education benefits in FY 2022 is \$36.4 million, including \$16.1 million in employee compensation spread over 396 jobs.

Table 26. The Total Annual Impact of GI Bill benefits on the Nebraska Economy

	Output (Millions \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Direct Impact	\$20.8	\$11.6	299
Multiplier Impact	\$15.6	\$4.5	97
Total Impact	\$36.4	\$16.1	396

Source: 2022 VA GI Bill Comparison Tool, FY 2022 Data and BBR calculations using IMPLAN

Summary of Annual Economic Impact

This chapter provided estimates of the annual economic impact of Nebraska Military bases on the state economy during Fiscal Year 2022. The chapter also provided estimates of the annual economic impact from payments to Department of Defense military retirees residing in Nebraska from the military retirement system as well as the annual economic impact from Veterans Affairs spending on the State of Nebraska and the annual economic impact of Army Corps of Engineers operations. The economic impact from each source is presented in Table 27 below. Military bases have the largest annual economic impact on the State of Nebraska. Veterans Affairs spending has the second largest annual impact. Payments through the military retirement system and the Army Corps of Engineers also have a substantial economic impact.

Table 27. The Annual Economic Impact on Military Bases, Military Retirement System Payments and Veterans Affairs Spending on the State of Nebraska, FY 2022

Source of Impact	Output (Million \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Military Bases	\$2,572.9	\$1,501.3	24,474
Military Retirement System Payments	\$485.1	\$157.2	2,904
Veterans Affairs Spending	\$2,596.5	\$1,104.6	18,561
Army Corps of Engineers	\$159.4	\$1022	1,392
GI Bill Benefits	\$36.4	\$16.1	396

Source: BBR calculations using IMPLAN

The impact from retirement payments also has potential to grow if Nebraska can retain and attract more military retirees to the state. Further, military retirees and other veterans also impact the state economy by adding to the available labor force in the state. A larger, skilled workforce populated with skilled military retirees and other veterans would help more Nebraska businesses expand.¹¹⁸

¹¹⁸ Nebraska Commission on Military and Veteran Affairs, Impact of Military Service on Employee Skills and Salaries. (2017). Annual Report. Available: https://nebraskalegisature.gov/FloorDocs/105/PDF/Agencies/Veterans_Affairs_Department_Of/610_20171120-163741.pdf

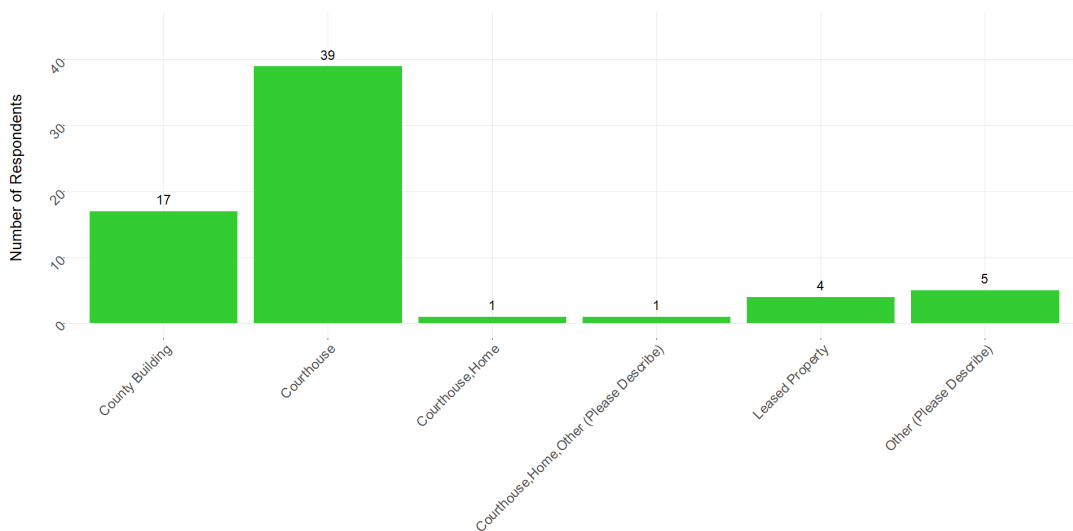
5. Profile of County Veteran Service Officers

Nebraska County Veterans Service Officers (CVSOs) assist Nebraska veterans by determining eligibility for benefits from the VA or other federal programs. Thus, the county dollars used to fund CVSOs are leveraged to obtain greater levels of federal funds in support of veterans. The Nebraska Commission on Military and Veteran Affairs was interested in better understanding the operations of CVSOs in Nebraska, the utilization of technology to obtain federal funds for Nebraska vets, as well as potential areas for growth in the operations of CVSOs in the state.

To gain such an understanding, the BBR conducted a survey of CVSOs in the state. A web-based survey was developed by researchers in collaboration with personnel from the Nebraska Commission on Military and Veteran Affairs. A list of CVSOs was obtained from personnel at the Nebraska Department of Veterans' Affairs. A total of 121 CVSOs and Assistant CVSOs were invited to complete the survey via email on August 28, 2023. A reminder to complete the survey was the following week on September 8, 2023. A total of 79 CVSOs responded to the survey for a response rate of approximately 63.7%. Because several CVSOs serve multiple counties, respondents were asked to indicate which county or counties for which they are responsible; 51 respondents indicated their county.

The survey asked questions about the location of CVSO offices and the availability of parking. As Figure 10 below indicates, a total of 39 CVSO offices are in a county courthouse. Another 17 offices are in the county building. Four respondents indicated that offices were in leased space. Five respondents indicated "Other"; among these responses, respondents reported that officers were in annex buildings, the road department, and a library. Respondents were asked to indicate whether convenient parking is available for veterans and their family. Ninety-three percent (93%) indicated that convenient parking was available.

Figure 10. Location of CVSO Offices

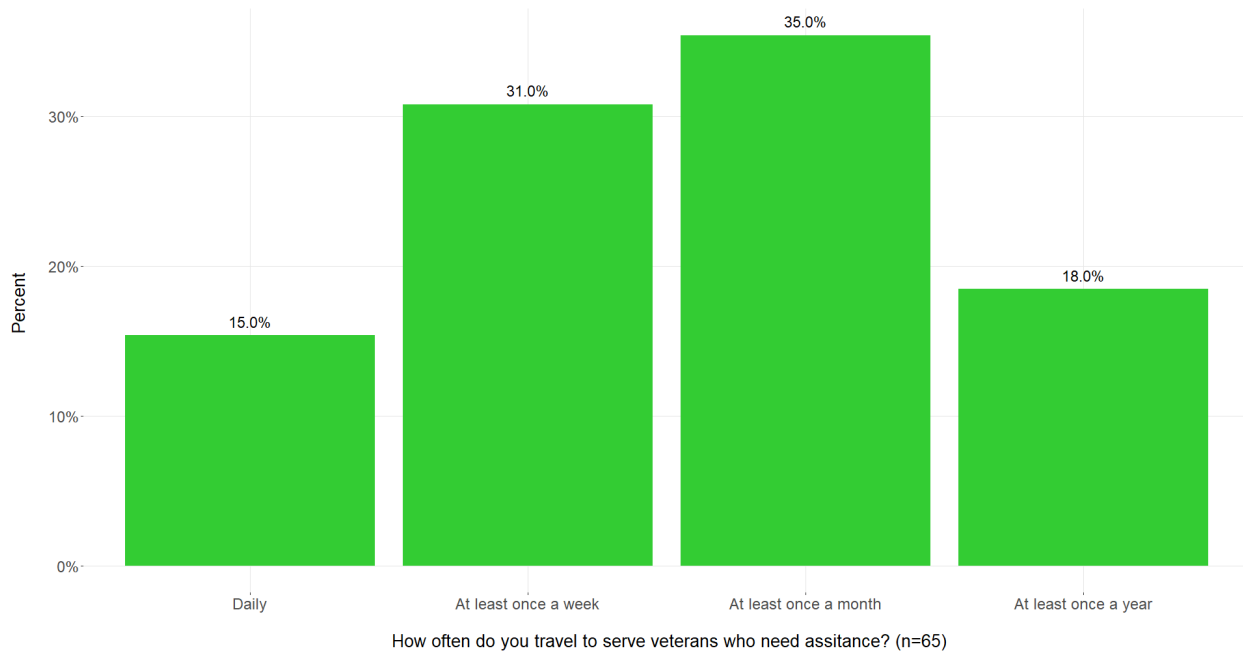


Please indicate where your office is located. (n=67)

Because of the wide coverage of CVSO's, particularly in western Nebraska where CVSOs may serve multiple counties, the Commission was interested in understanding the frequency with which CVSOs travel to meet with veterans in the state. As Figure 11 below shows, 15% of CVSOs reported travel at least once per day. Thirty one percent (31%) indicated traveling at least once weekly, and another 35%

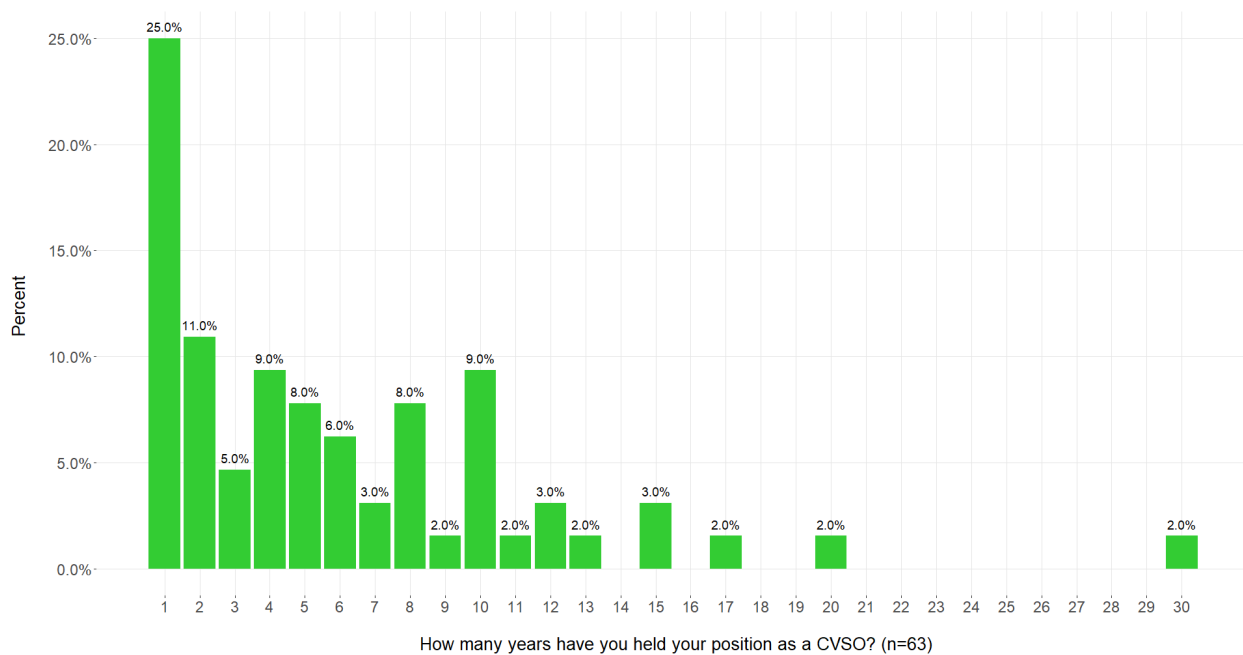
reported traveling at least once per month. Eighteen percent (18%) reported traveling only once per year.

Figure 11. Frequency of Travel for CVSOs to Meet with Veterans



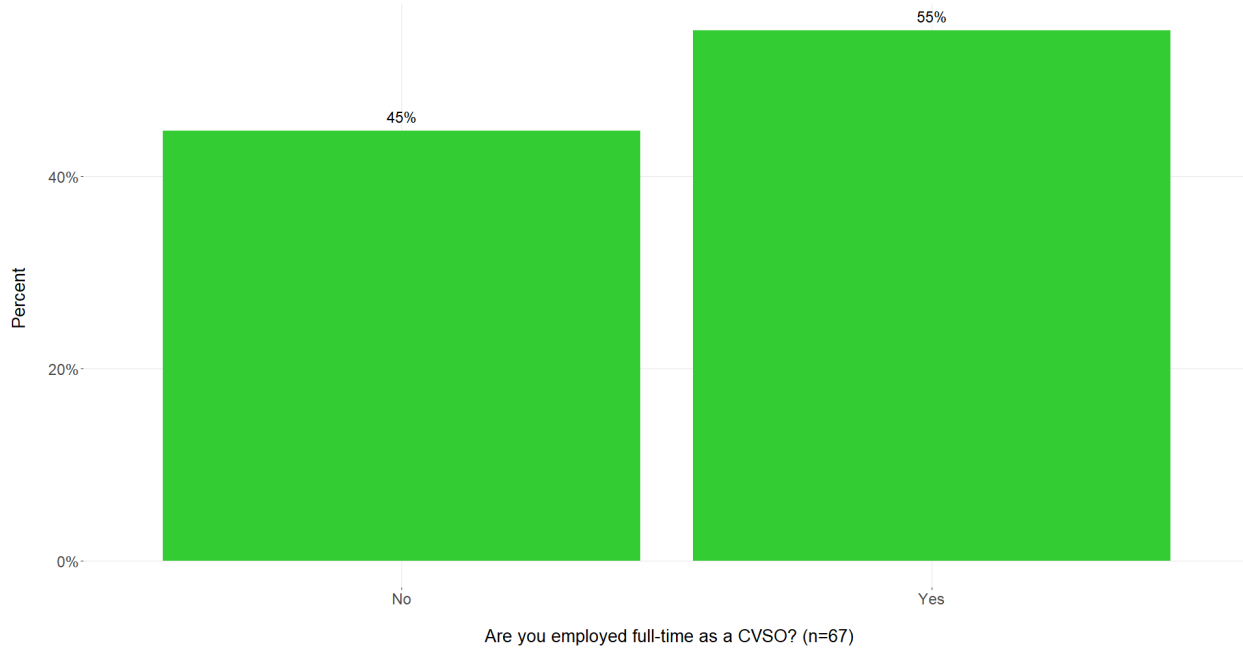
CVSO's were asked to indicate how many years they have held their current position as a CVSO. Figure 12 below presents the distribution of responses to the question. The figure shows wide variation in the tenure of CVSOs. The mean tenure is 5.94 years (standard deviation = 5.49).

Figure 12. Tenure of CVSOs



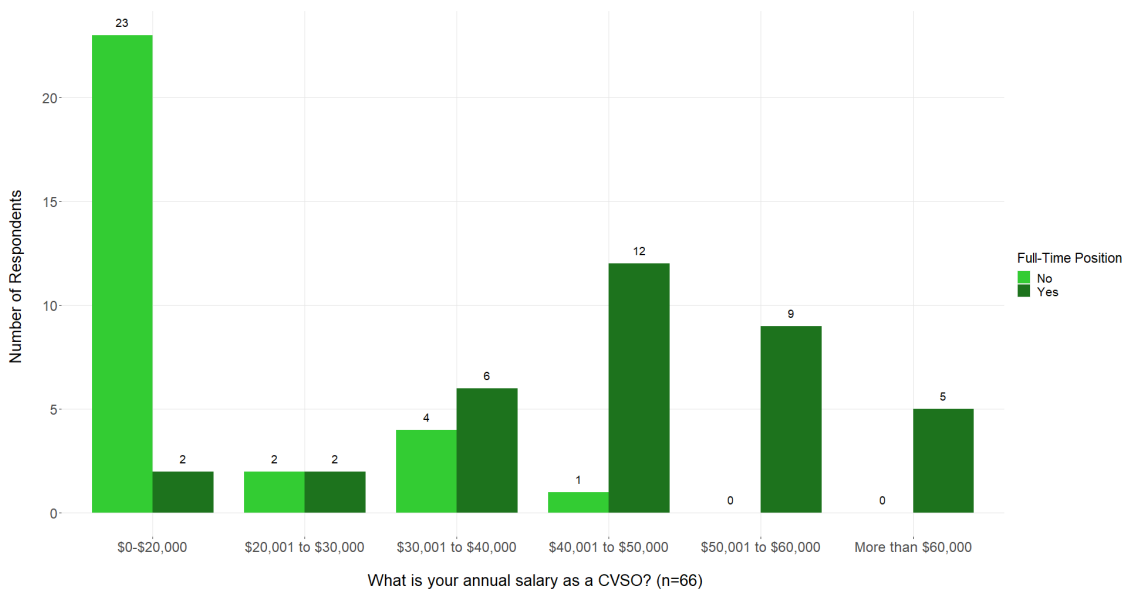
Not all CVSOs serve in a full-time role. The Commission sought to better understand the proportion of CVSOs that serve in a full-time versus part-time role. As Figure 13 shows, 55% of CVSOs reported serving full-time, while 45% reported serving in a part-time role.

Figure 13. Percentage of Full-Time and Part-Time Employment of CVSOs



To understand the compensation structures for CVSOs in Nebraska, respondents were asked to report their annual salary (part-time employees were asked to report the total compensation for their part-time position). As Figure 14 shows, most full-time employees earn between \$30,001 and \$40,000 or between \$40,001 and \$50,000. The majority of part-time employees earn between \$0 and \$20,000 annually.

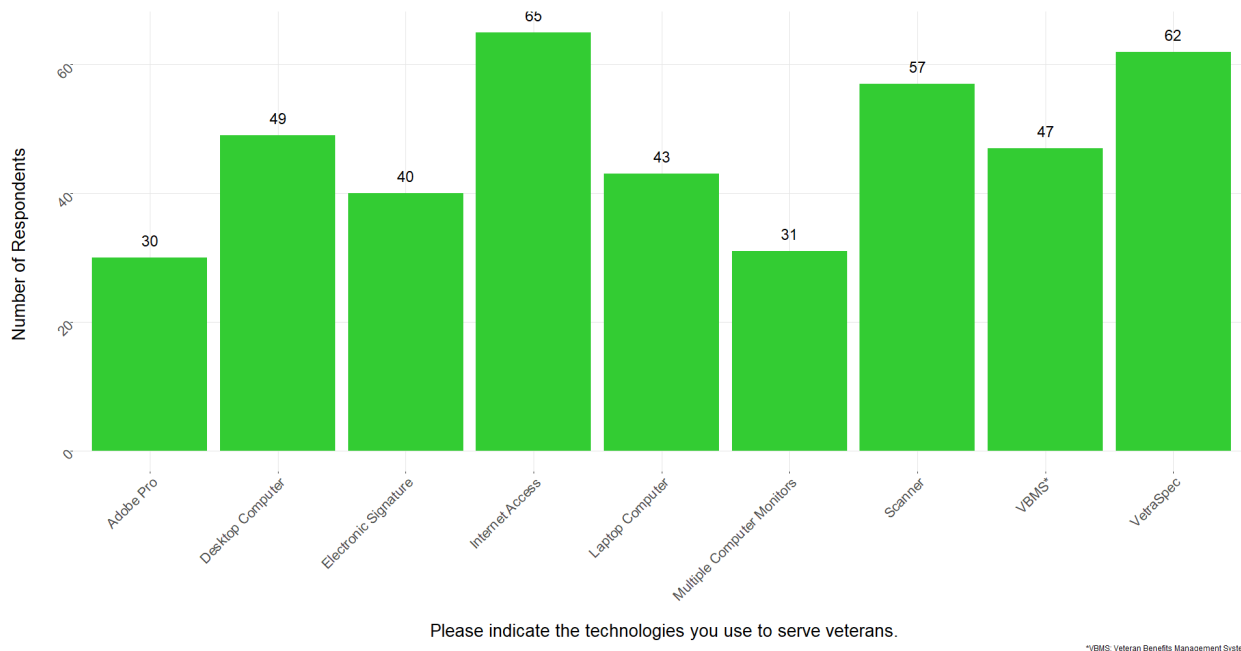
Figure 14. Salaries for Full-Time and Part-Time CVSOs



Operating budgets impact the ability of CVSOs to complete the work in an effective and timely manner. CVSOs were asked to report the annual operating budget for their office. The results show that operating budgets vary widely in the state. Operating budgets ranged from \$1,200 to \$580,000, with a median budget of \$44,000 (mean \$76,803, standard deviation \$102,767).

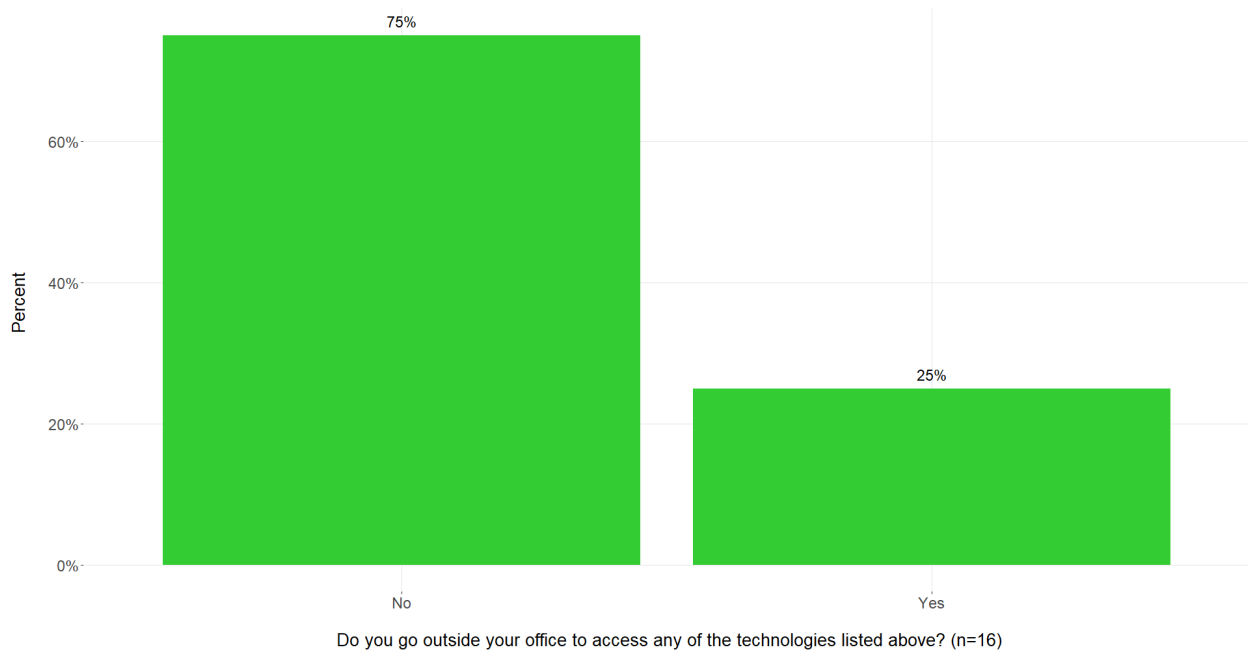
One of the key factors that allow CVSOs to successfully complete their mission to serve veterans is access to necessary technology. CVSOs were asked to report which types of technology they use on a regular basis. Note that respondents were asked to select all technologies they use. Figure 15 shows that CVSOs utilize internet access, VetraSpec, scanners, and desktop computers. Smaller numbers use the Veterans Benefit Management System (VBMS), electronic signatures, laptop computers, multiple computer monitors, and Adobe Pro. CVSOs were also given the opportunity describe “Other” technologies used. These included TVB, cell phones, CAC card readers, printers, etc.

Figure 15. Technologies Used by CVSOs to Serve Veterans



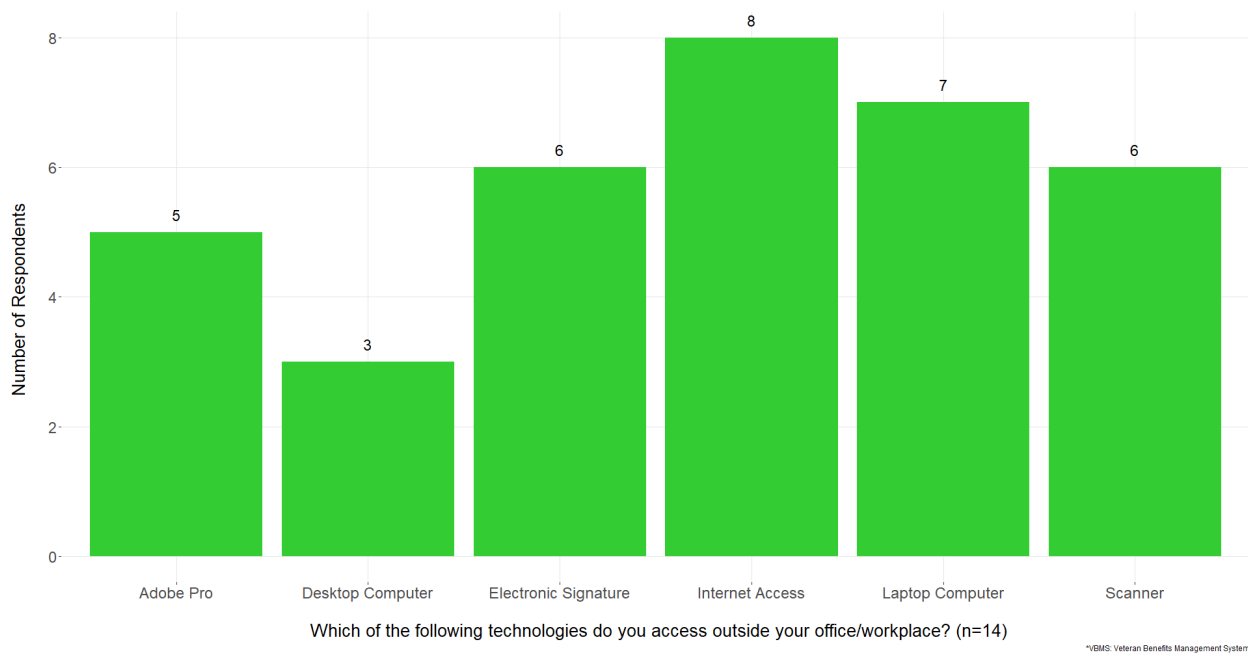
Anecdotal evidence has suggested that some CVSOs may not have access to necessary technology in their office. Therefore, respondents were asked to indicate whether they ever must leave their office to access technology necessary to do their jobs (see Figure 16). Twenty-five percent (25%) of CVSOs indicated that they do leave their office to access technology.

Figure 16. Extent to Which Technology is Accessed Outside the Offices of CVSOs



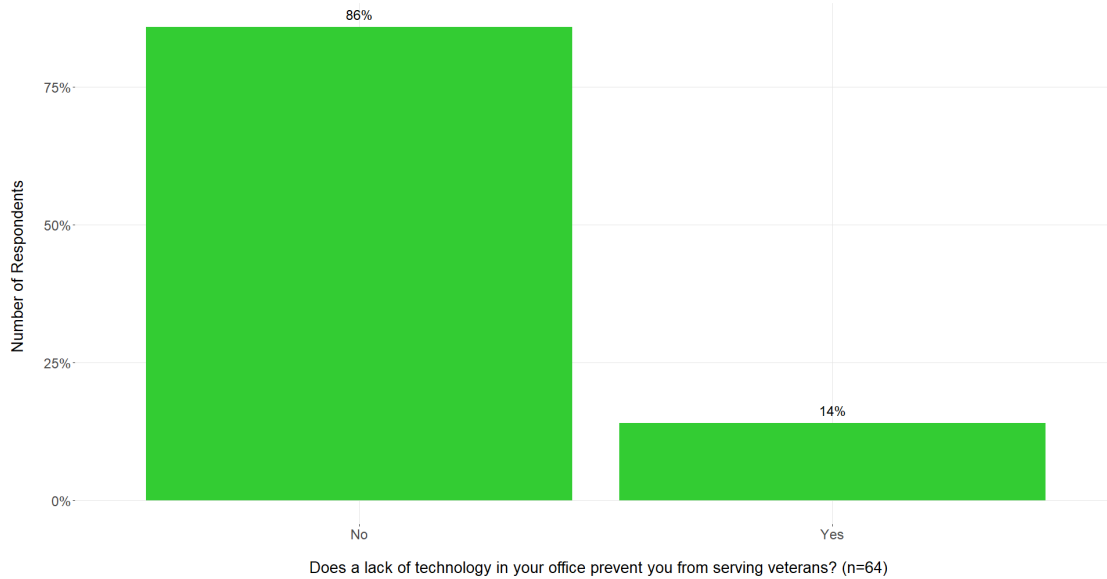
Among CVSOs who access technology outside of their offices, many indicated accessing internet access, laptop computers, and scanners someplace other than their office. Respondents also indicated accessing the VBMS, Adobe Pro, desktop computers, and electronic signatures outside of the office (Figure 17).

Figure 17. Specific Technologies Accessed Outside the Offices of CVSOs



Given that some CVSO do need to go outside the office to access technology, it is possible that some might view a lack of technology as a hindrance to effective execution of their duties. However, when asked, only 6% of CVSOs felt that a lack of technology was a barrier to their job (Figure 18).

Figure 18. Lack of Technology as Potential Hindrance to CVSOs



Respondents were asked to report how many accredited individuals work in their offices (see Figure 19). The results show that the majority of offices (73%) have one accredited worker. The remaining offices have two or more accredited individuals working.

Figure 19. Number of Accredited Individuals in County/Office

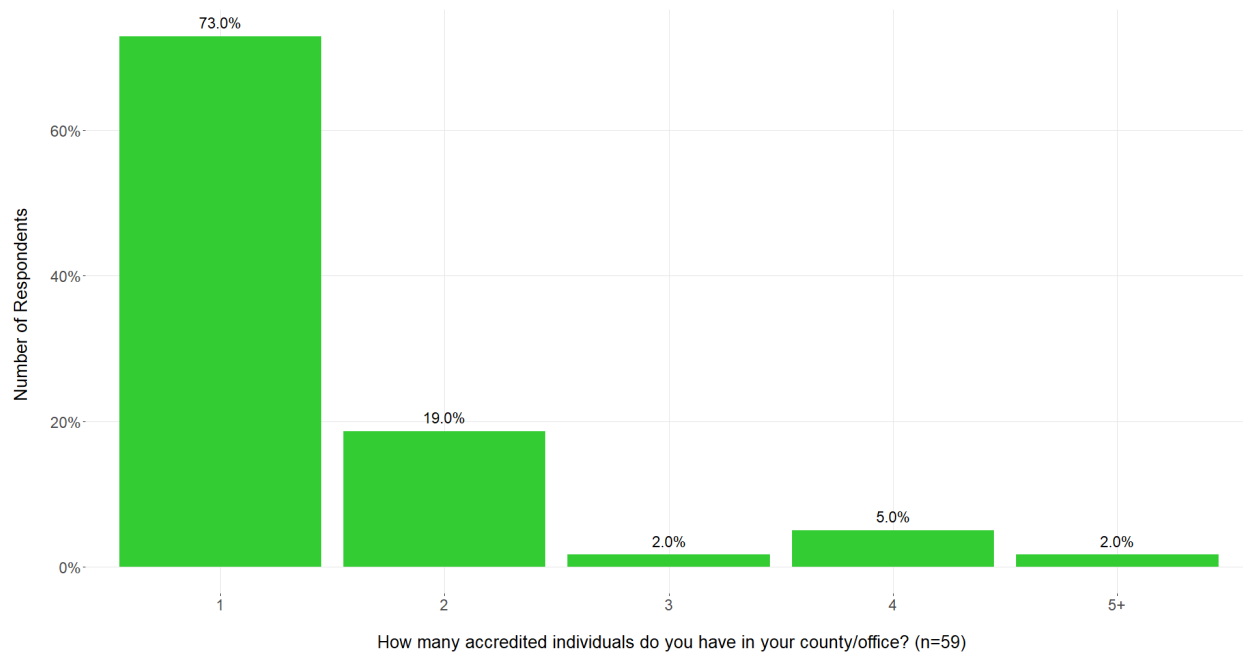
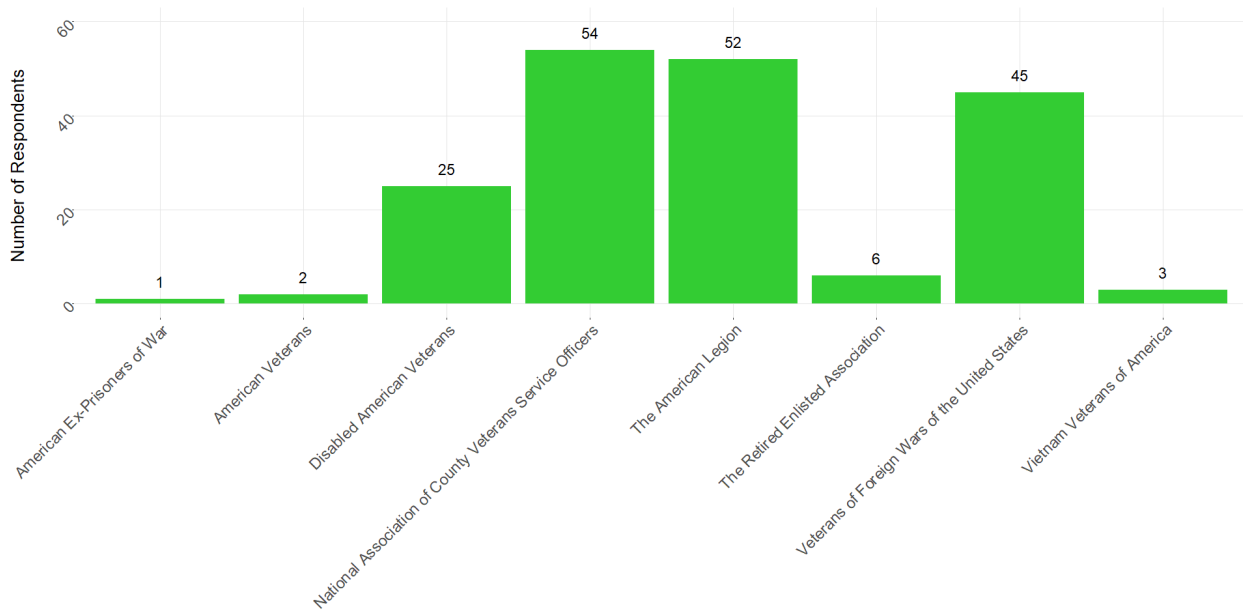


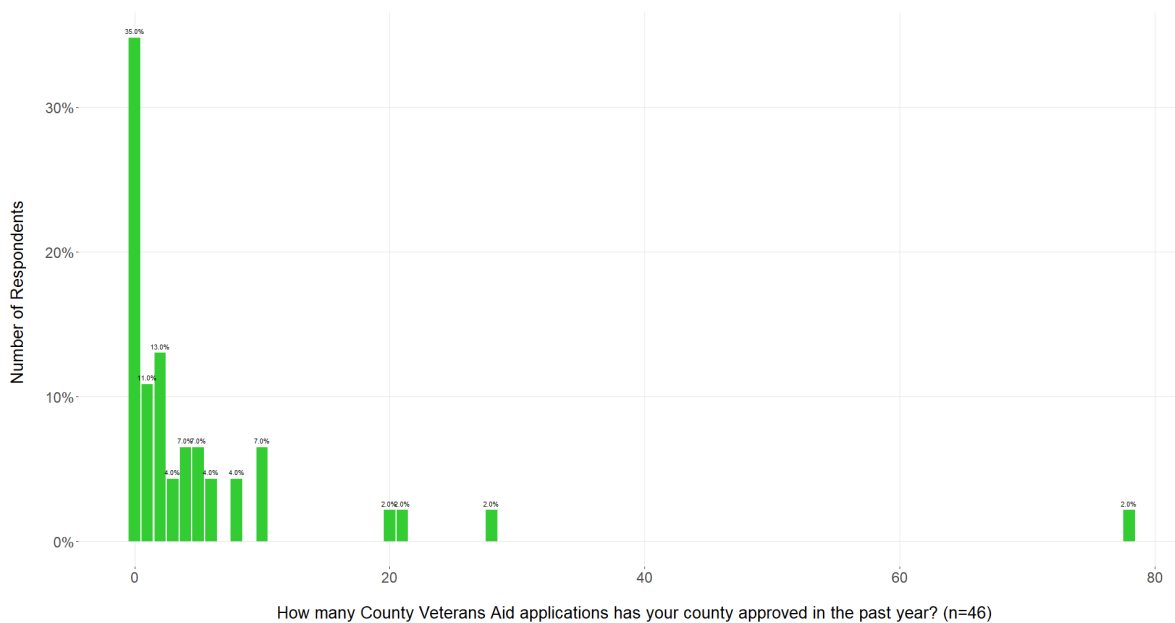
Figure 20. Organizations with which CVSOs are Accredited



With which organizations are you accredited? (Select all that may apply)?

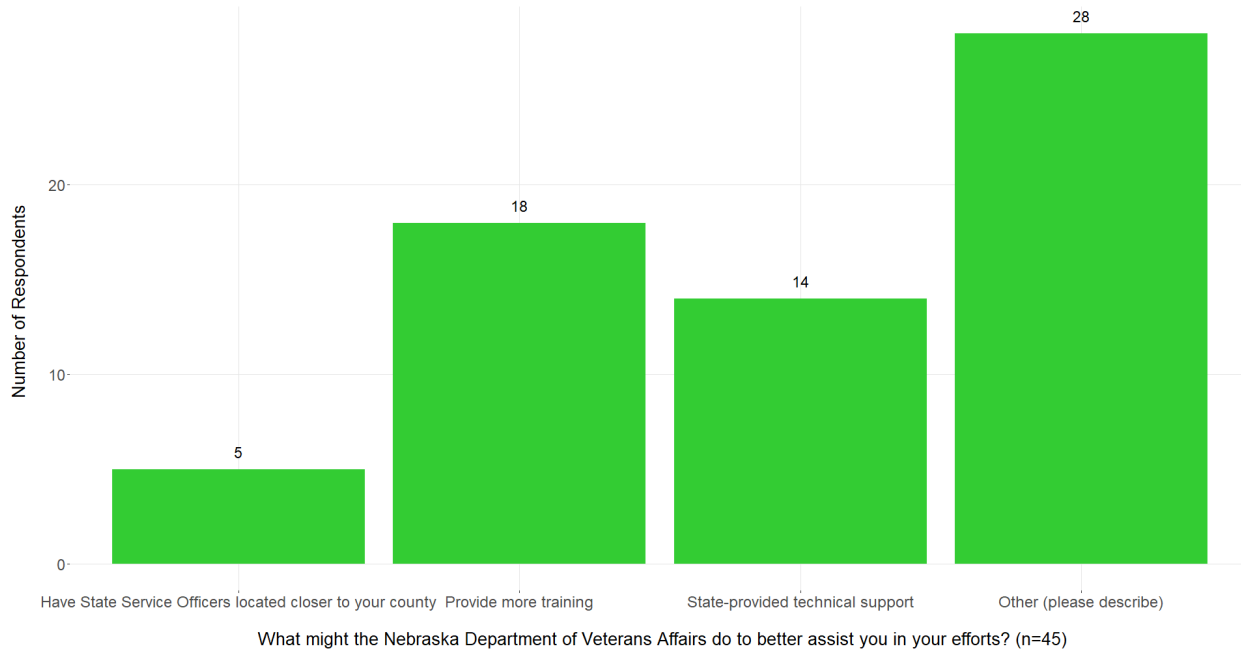
CVSOs were asked to report how many County Veterans Aid applications were approved in the past year. Figure XX below shows that the greatest frequency reported was “0”. Most commonly, CVSOs reported approving between 1 and 10 applications in the past year. Respondents were also asked to report the total amount of aid that the county had distributed through its aid fund. Out of 42 respondents, the most common response was “0”, with 14 CVSOs reporting that amount. The totals ranged from \$0 to \$48,000, with a median of \$942.50.

Figure 21. Number of County Veterans Aid Applications Submitted



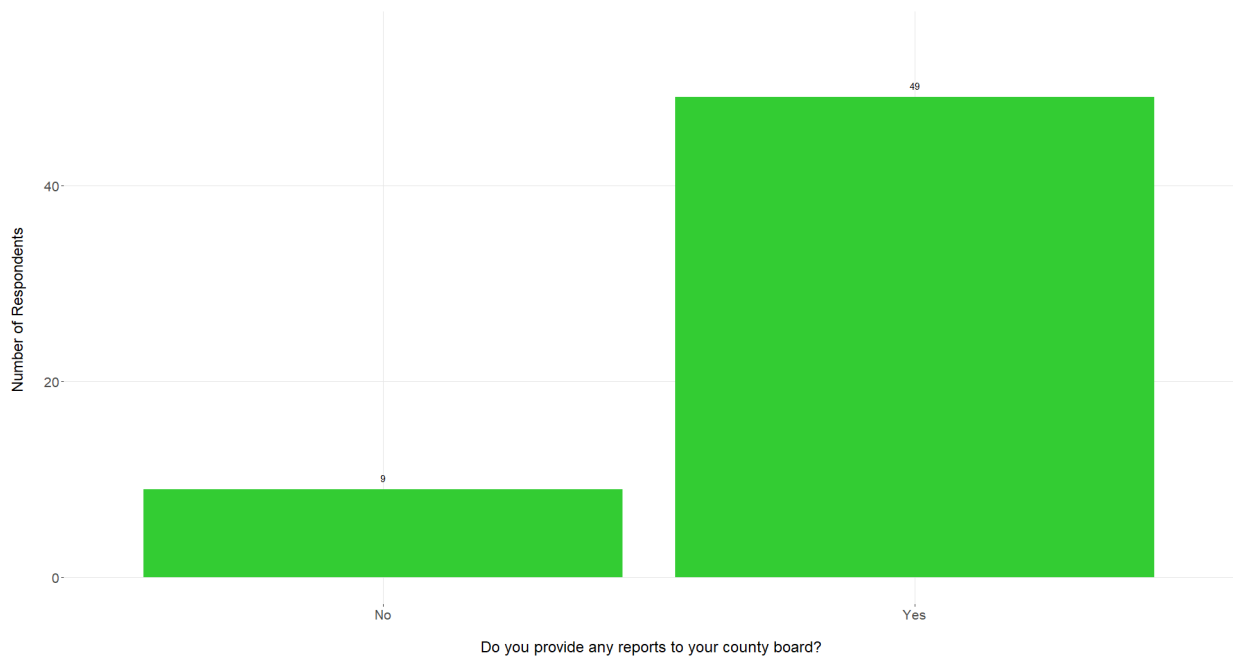
Respondents were asked to indicate the ways in which the Nebraska Department of Veterans’ Affairs could better assist CVSOs in their efforts. As Figure 23 indicates, twenty-one respondents indicated “Other,” and were given the opportunity to further expand on their responses. These responses ranged from CVSOs included requesting better communication and outreach, more detailed training, make accreditation easier, ease applications for Nebraska Veteran Aid, and provide funding to the counties. Several indicated that the services provided by the Nebraska Department of Veterans’ Affairs were sufficient.

Figure 22. How Nebraska Department of Veterans’ Affairs Might Better Help CVSOs



Finally, CVSOs were asked whether they provide reports to their county board. Of the 61 respondents to this question, 51 (84%) indicated that they do submit reports to their county board. Only 16% of respondents indicated that they do not submit reports to the board in their county.

Figure 23. Do You Provide Reports to County Board?



6. DoD and VA Supply Chain Analysis

Nebraska businesses provide valuable goods and services to federal entities working in the state. Through this report, and previous years’ reports, the NCMVA has only obtained a general sense of the specific businesses, and types of Nebraska businesses, that are providing goods and services to federal agencies. This section is designed to better illuminate some of these relationships.

To accomplish this, federal procurement data were obtained from USAspending.gov. This website contains a comprehensive listing of contracts between federal agencies and non-federal government entities. Data were obtained on Fiscal Years 2017 to 2022 contracts in which Nebraska was the primary place of performance. Note that many entities have government contracts with agencies outside the Department of Defense and Veterans Affairs; these contracts were not considered in this analysis.

Federal Contracting by Agency

As noted, focus was placed on federal contracts between Nebraska businesses and the Department of Defense and U.S. Department of Veterans Affairs. Across the \$860.6 million in contract obligations, \$710.8 million in contracts (80% of the total) were held with the Department of Defense, and \$149.8 million were held with the U.S. Department of Veterans Affairs (20% of the total).

The data also allow for an analysis of the data by subagency. Within the Department of Defense, the Department of the Air Force was the largest awarding agency with over \$449.5 million in federal action obligations. The Departments of the Army and Navy were also awarded with \$213.7 million and \$19.5 million in obligations, respectively. The Defense Logistics Agency (\$20.8 million in contracts) also awarded a considerable level of funding to Nebraska businesses. Table 28 below contains detailed information.

Sub Agency	Amount
DEFENSE COMMISSARY AGENCY (DECA)	\$65,262
DEFENSE HEALTH AGENCY (DHA)	\$1,189,858
DEFENSE INFORMATION SYSTEMS AGENCY (DISA)	\$1,641,425
DEFENSE LOGISTICS AGENCY	\$20,766,950
DEFENSE MICROELECTRONICS ACTIVITY (DMEA)	\$4,436,320
DEFENSE THREAT REDUCTION AGENCY (DTRA)	\$0
DEPARTMENT OF THE AIR FORCE	\$449,518,256
DEPARTMENT OF THE ARMY	\$213,717,457
DEPARTMENT OF THE NAVY	\$19,455,483
USTRANSCOM	\$181,600
VETERANS AFFAIRS, DEPARTMENT OF	\$149,744,979
WASHINGTON HEADQUARTERS SERVICES (WHS)	\$27,822

Federal Contracting by County

The total value of federal dollars obligated in contracts with Nebraska businesses in FY 2022 was \$860.6 million.¹¹⁹ The table below presents the distribution of those contract dollars throughout Nebraska counties. The majority of dollars are obligated to contracts with businesses in Sarpy County, with substantial contract obligations in Douglas and Lancaster Counties (see Table 29).

County	Total Dollars Obligated	County	Total Dollars Obligated	County	Total Dollars Obligated
SARPY	\$546,771,646.52	ADAMS	\$2,155,103.14	DAWES	\$335,658.84
DOUGLAS	\$193,392,732.15	RICHARDSON	\$2,018,132.25	MORRILL	\$323,332.25
LANCASTER	\$33,766,521.60	OTOE	\$2,008,896.00	KEARNEY	\$323,058.14
MADISON	\$18,571,001.35	SCOTTS BLUFF	\$2,003,890.95	HITCHCOCK	\$321,908.86
WAYNE	\$8,321,801.38	KIMBALL	\$1,806,017.57	SHERIDAN	\$308,739.41
HARLAN	\$6,724,812.99	YORK	\$1,290,525.96	DIXON	\$156,878.24
HALL	\$6,466,694.88	NANCE	\$775,181.29	RED WILLOW	\$136,506.70
BUFFALO	\$4,458,443.86	CUMING	\$772,617.33	HAMILTON	\$132,534.32
THURSTON	\$4,317,844.74	KNOX	\$709,970.66	DODGE	\$83,098.72
CEDAR	\$4,136,135.86	CHASE	\$610,331.09	WEBSTER	\$33,089.78
CASS	\$4,108,042.89	FILLMORE	\$573,379.20	JEFFERSON	\$32,607.45
CHEYENNE	\$2,997,605.25	SHERMAN	\$500,265.39	PHELPS	\$31,032.00
GAGE	\$2,860,129.57	GARFIELD	\$446,180.80	BUTLER	\$28,006.92
DAWSON	\$2,713,083.94	BANNER	\$350,969.00	SEWARD	\$21,245.00
SAUNDERS	\$2,364,809.50	LINCOLN	\$346,338.37		

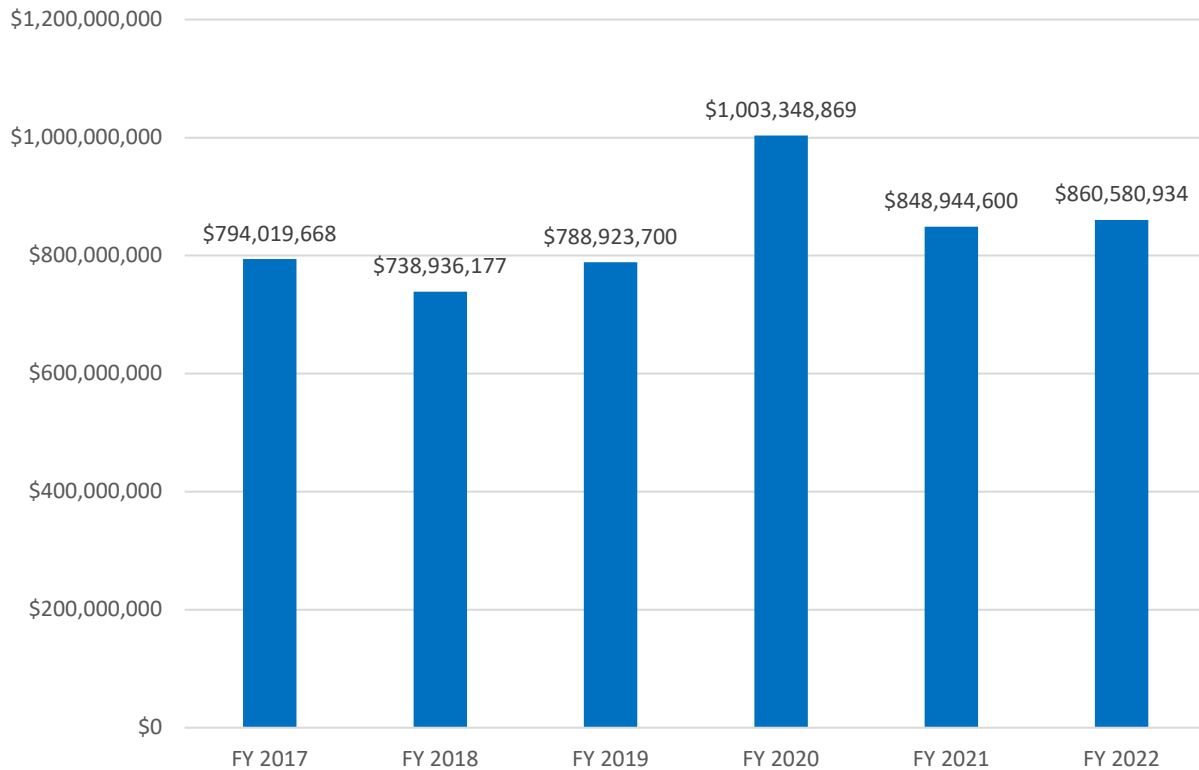
Federal Contract Dollars by Year, FY 2017-FY 2022

Dollars awarded to companies who carry out business have the potential to contribute to the economic well-being of the state. In the FY 2020 report conducted by the BBR, researchers found that about \$1.01 billion contract dollars flowed from the DoD and VA to businesses that carried out work in the State of Nebraska.

Analysts sought to determine whether this total was substantially different from the contract totals from recent years. To do this, analysts obtained data from FYs 2017 to 2022 using the same procedures as those used to conduct the analysis in Table 29. The results of the analysis are presented in Figure 24. As the figure shows, FY 2020 appears to be the high mark among the six most recent fiscal years for which there are complete data available. From FY 2017 to FY 2019, DoD and VA contract dollars totaled between \$738 million and \$794 million. FY 2020 represented about a 27% increase in DoD and VA contracting dollars from FY 2019. In FY 2021, DoD and VA contracting dollars fell back down to about \$849 million. In FY 2022, DoD and VA contracting dollars were \$860 million.

¹¹⁹ To provide some context, a recent study of the Missouri defense industry indicated that there were \$14.4 billion in Department of Defense contracts to Missouri-based businesses. See: https://military.ded.mo.gov/sites/military/files/Economic%20Impacts%20of%20DoD%20Contractor%20Awards%20in%20Missouri_May%202021_final.pdf

Figure 24. Department of Defense and U.S. Department of Veterans Affairs Contract Dollars, FY2017- FY2022



Federal Contracting by Industry, FY 2022

Next, researchers sought to understand which industries were represented in the data. To accomplish this, analysts examined obligated contract dollars according to North American Industry Classification System (NAICS) codes. NAICS codes are used to classify businesses and operations by the services and goods they provide. It is important to note that some business may provide goods and services that fall into multiple NAICS codes; in such a case, the NAICS code assigned to a particular contract is dependent upon the nature of the good or service provided to the government in that instance.

Businesses in the Professional, Scientific, and Technical Services industry did the most business with the DoD and Department of Veterans Affairs in FY 2022 with about \$455 million in contract obligations (see Table 30). Construction of Buildings was the second most-represented industry, with about \$125 million contract obligations. Companies engaged in the Heavy and Civil Engineering Construction industry received about \$87 million in contract obligations. Over three quarters of total contract dollars were spent in these three industries.

NAICS	NAICS Description	Total Dollars Obligated	Percentage
541	Professional, Scientific, and Technical Services	\$454,858,649	52.85%
236	Construction of Buildings	\$125,085,688	14.54%
237	Heavy and Civil Engineering Construction	\$87,365,756	10.15%
561	Administrative and Support Services	\$34,808,418	4.04%
238	Specialty Trade Contractors	\$25,006,553	2.91%
611	Educational Services	\$19,794,391	2.30%
623	Nursing and Residential Care Facilities	\$17,312,842	2.01%
562	Waste Management and Remediation Services	\$14,598,479	1.70%
511	Publishing Industries (Except Internet)	\$10,371,842	1.21%
311	Food Manufacturing	\$10,049,590	1.17%
622	Hospitals	\$6,782,799	0.79%
334	Computer and Electronic Product Manufacturing	\$5,448,465	0.63%
621	Ambulatory Health Care Services	\$5,298,022	0.62%
339	Miscellaneous Manufacturing	\$4,648,270	0.54%
517	Telecommunications	\$4,491,344	0.52%
811	Repair and Maintenance	\$3,559,395	0.41%
336	Transportation Equipment Manufacturing	\$3,471,302	0.40%
722	Food Services and Drinking Places	\$3,095,972	0.36%
324	Petroleum and Coal Products Manufacturing	\$2,593,669	0.30%
332	Fabricated Metal Product Manufacturing	\$2,524,620	0.29%
221	Utilities	\$2,473,697	0.29%
532	Rental and Leasing Services	\$1,969,181	0.23%
331	Primary Metal Manufacturing	\$1,911,611	0.22%
481	Air Transportation	\$1,667,348	0.19%
721	Accommodation	\$1,406,899	0.16%
493	Warehousing and Storage	\$1,359,249	0.16%
335	Electrical Equipment, Appliance, and Component Manufacturing	\$1,160,971	0.13%
624	Social Assistance	\$1,075,502	0.12%
812	Personal and Laundry Services	\$1,060,671	0.12%
315	Apparel Manufacturing	\$976,467	0.11%
333	Machinery Manufacturing	\$924,105	0.11%
484	Truck Transportation	\$845,463	0.10%
488	Support Activities for Transportation	\$517,887	0.06%
492	Couriers and Messengers	\$504,021	0.06%
314	Textile Product Mills	\$486,954	0.06%
423	Merchant Wholesalers, Durable Goods	\$431,603	0.05%
325	Chemical Manufacturing	\$275,038	0.03%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$227,348	0.03%
524	Insurance Carriers and Related Activities	\$172,550	0.02%

454	Nonstore Retailers	\$92,231	0.01%
515	Broadcasting (Except Internet)	\$74,724	0.01%
519	Other Information Services	\$69,837	0.01%
485	Transit and Ground Passenger Transportation	\$56,432	0.01%
922	Justice, Public Order, and Safety Activities	\$43,238	0.01%
115	Support Activities for Agriculture and Forestry	\$41,500	0.00%
213	Support Activities for Mining	\$26,810	0.00%
112	Animal Production	\$26,436	0.00%
518	Data Processing, Hosting, and Related Services	\$25,000	0.00%
711	Performing Arts, Spectator Sports, and Related Industries	\$16,360	0.00%
316	Leather and Allied Product Manufacturing	\$14,810	0.00%
327	Nonmetallic Mineral Product Manufacturing	\$12,045	0.00%
443	Electronics and Appliance Stores	\$11,371	0.00%
312	Beverage and Tobacco Product Manufacturing	\$10,396	0.00%
326	Plastics and Rubber Products Manufacturing	\$3,295	0.00%
322	Paper Manufacturing	\$2,985	0.00%
444	Building Material and Garden Equipment and Supplies Dealers	\$1,787	0.00%
446	Health and Personal Care Stores	\$1,113	0.00%

Federal Contracting by Business

Next, researchers analyzed contracting data by business name (see Table 31). Again, businesses under consideration for this analysis are those that are designated as recipients of obligated federal dollars, and that have Nebraska as the primary place of performance. This analysis focuses on the top 25 businesses, as determined by the total dollars obligated to each business. The business with the largest action obligation amount in FY 2022 was Peraton Enterprise Solutions LLC (\$103 million). Other entities with considerable amounts of federal action obligations include Metgreen Solutions, Inc. (\$75.3 million); M.A. Mortenson Company (\$68.5 million); and Science Applications International Corporation (\$66.8 million).

Business Name	Total Dollars Obligated	Number of Awards	Mean Award
PERATON ENTERPRISE SOLUTIONS LLC	\$103,487,451.47	191	\$541,819.12
METGREEN SOLUTIONS INC	\$75,261,524.37	76	\$990,283.22
M. A. MORTENSON COMPANY	\$68,491,000.00	3	\$22,830,333.33
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	\$66,836,325.99	44	\$1,519,007.41
WESTERN CONTRACTING CORP	\$34,059,328.48	4	\$8,514,832.12
NORTHROP GRUMMAN SYSTEMS CORPORATION	\$20,263,934.93	64	\$316,623.98
CACI, INC. - FEDERAL	\$15,996,709.73	14	\$1,142,622.12
SPIRAL SOLUTIONS & TECHNOLOGIES INC	\$15,808,114.93	14	\$1,129,151.07
MILSUP LLC	\$14,711,910.48	4	\$3,677,977.62

CALVERT SYSTEMS ENGINEERING, INC	\$13,746,341.50	8	\$1,718,292.69
FSA CONSTRUCTION LLC	\$13,544,177.00	4	\$3,386,044.25
POVOLNY GROUP, INC, THE	\$12,595,565.56	12	\$1,049,630.46
HDR ENGINEERING, INC.	\$12,119,162.68	16	\$757,447.67
DYNCORP INTERNATIONAL LLC	\$11,729,991.88	3	\$3,909,997.29
SOFTWARE ENGINEERING SERVICES CORP	\$10,970,310.14	10	\$1,097,031.01
NATIONAL STRATEGIC RESEARCH INSTITUTE	\$10,783,769.32	33	\$326,780.89
FENTON CONSTRUCTION INC	\$10,149,037.82	4	\$2,537,259.46
BHATE ENVIRONMENTAL ASSOCIATES, INC.	\$9,647,692.00	3	\$3,215,897.33
MCCALLIE ASSOCIATES, INC.	\$9,136,110.05	10	\$913,611.01
IRON MIKE CONSTRUCTION LLC	\$8,003,111.40	2	\$4,001,555.70
RAYTHEON COMPANY	\$7,286,110.63	17	\$428,594.74
SPEES-HERNANDEZ JV 2, LLC	\$7,017,127.28	2	\$3,508,563.64
BOOZ ALLEN HAMILTON INC	\$6,998,660.27	36	\$194,407.23
BOARD OF REGENTS OF THE UNIVERSITY OF NEBRASKA	\$6,110,756.45	27	\$226,324.31
ISYS, INCORPORATED	\$5,874,421.37	8	\$734,302.67

Finally, analysts examined the extent to which contract dollars in Nebraska are awarded to small and disadvantaged businesses (see Table 32). The Department of the Navy also awards a considerable proportion of dollars to Veteran Owned businesses, with over half of awarded dollars going to Veteran Owned companies. The Department of the Air Force awarded about \$88 million in contracts to Veteran Owned businesses in FY 2022. Women Owned businesses appear to receive a smaller share of contract award dollars among most agencies. The Air Force, however, appears to award a considerable dollar amount of contract dollars to Women Owned companies, with about \$42 million in contract dollars flowing to such entities. Minority Owned businesses also appear to receive a substantial sum of dollars from awards through the Air Force. About \$60 million in contract dollars were awarded to Minority Owned businesses in FY 2022. The Department of the Navy and the Defense Logistics Agency also awarded substantial proportions of awards to Minority Owned businesses in FY 2022.

Agency	Contract Obligations	% Veteran Owned	% Women Owned	% Minority Owned
DEFENSE COMMISSARY AGENCY (DECA)	\$65,262	0.00%	0.00%	0.00%
DEFENSE HEALTH AGENCY (DHA)	\$1,189,858	0.89%	0.00%	0.00%
DEFENSE INFORMATION SYSTEMS AGENCY (DISA)	\$1,641,425	2.80%	28.35%	28.35%
DEFENSE LOGISTICS AGENCY	\$20,766,950	7.20%	68.86%	4.16%
DEFENSE MICROELECTRONICS ACTIVITY (DMEA)	\$4,436,320	0.00%	0.00%	0.00%
DEFENSE THREAT REDUCTION AGENCY (DTRA)	\$0	0.00%	0.00%	0.00%
DEPARTMENT OF THE AIR FORCE	\$449,518,256	19.60%	6.09%	15.95%
DEPARTMENT OF THE ARMY	\$213,717,457	5.84%	4.35%	13.55%
DEPARTMENT OF THE NAVY	\$19,455,483	87.51%	0.66%	27.61%

USTRANSCOM	\$181,600	0.00%	26.10%	0.00%
VETERANS AFFAIRS, DEPARTMENT OF	\$149,744,979	0.00%	0.00%	0.00%
WASHINGTON HEADQUARTERS SERVICES (WHS)	\$27,822	0.00%	0.00%	0.00%

Jobs Supported Through DoD Contracting in Nebraska

Researchers sought to estimate the number of jobs supported through DoD contracting in the State of Nebraska. To do this, BBR researchers focused on the dollar value of DoD contracts executed in Nebraska across industries. Using IMPLAN to obtain industry-level employment averages of job per dollar of input, estimates were obtained. The estimated total of jobs supported through DoD contracting in Nebraska is 3,491. The detailed estimated results are presented in Table 33 below.

NAICS Code	Industry Description	Contract Dollars	Jobs Supported
541	Professional, Scientific, and Technical Services	\$379,316,025	1,743
236	Construction of Buildings	\$118,437,422	648
237	Heavy and Civil Engineering Construction	\$75,415,032	346
561	Administrative and Support Services	\$23,927,406	193
611	Educational Services	\$17,382,888	206
238	Specialty Trade Contractors	\$15,445,677	71
562	Waste Management and Remediation Services	\$14,314,229	57
511	Publishing Industries (Except Internet)	\$10,308,059	36
311	Food Manufacturing	\$10,049,590	15
622	Hospitals	\$6,666,963	37
334	Computer and Electronic Product Manufacturing	\$4,724,716	12
517	Telecommunications	\$4,217,492	5
336	Transportation Equipment Manufacturing	\$3,277,938	6
722	Food Services and Drinking Places	\$2,624,972	31
221	Utilities	\$2,610,695	1
324	Petroleum and Coal Products Manufacturing	\$2,597,823	1
332	Fabricated Metal Product Manufacturing	\$2,525,146	9
811	Repair and Maintenance	\$2,002,940	13
331	Primary Metal Manufacturing	\$1,911,611	2
481	Air Transportation	\$1,667,348	3
339	Miscellaneous Manufacturing	\$1,463,112	3
721	Accommodation	\$1,338,623	11
493	Warehousing and Storage	\$1,286,444	11
335	Electrical Equipment, Appliance, and Component Manufacturing	\$1,160,971	3
532	Rental and Leasing Services	\$1,025,516	3
315	Apparel Manufacturing	\$976,467	3
333	Machinery Manufacturing	\$822,444	2

621	Ambulatory Health Care Services	\$801,502	5
484	Truck Transportation	\$538,019	2
488	Support Activities for Transportation	\$517,887	5
314	Textile Product Mills	\$486,954	2
423	Merchant Wholesalers, Durable Goods	\$358,078	1
325	Chemical Manufacturing	\$232,042	0
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$198,602	1
812	Personal and Laundry Services	\$185,527	2
515	Broadcasting (Except Internet)	\$74,724	0
485	Transit and Ground Passenger Transportation	\$56,432	1
115	Support Activities for Agriculture and Forestry	\$41,500	1
531	Real Estate	\$39,000	0
922	Justice, Public Order, and Safety Activities	\$37,862	0
213	Support Activities for Mining	\$26,810	0
112	Animal Production	\$26,436	0
518	Data Processing, Hosting, and Related Services	\$25,000	0
624	Social Assistance	\$23,098	0
711	Performing Arts, Spectator Sports, and Related Industries	\$20,000	0
316	Leather and Allied Product Manufacturing	\$14,810	0
443	Electronics and Appliance Stores	\$11,371	0
312	Beverage and Tobacco Product Manufacturing	\$10,396	0
326	Plastics and Rubber Products Manufacturing	\$3,295	0
322	Paper Manufacturing	\$2,985	0
444	Building Material and Garden Equipment and Supplies Dealers	\$1,787	0
446	Health and Personal Care Stores	\$1,113	0
327	Nonmetallic Mineral Product Manufacturing	\$255	0
492	Couriers and Messengers	\$0	0
	Total	\$711,233,034	3,491

7. Impact of Nebraska Legislation and Regulatory Reforms

Defense-State Liaison Office: Key Issues for States and Nebraska's Progress

The Department of Defense's Defense-State Liaison Office (DSLO) "provides state policymakers with expert insight on priorities affecting military families and their quality of life."¹²⁰ Of note, in 2023, the DSLO renamed "Key Issues" to "State Policy Priorities." The DSLO is focusing on 10 State Policy Priorities for 2024 and continues to track "Emeritus Priorities Status" from prior years on the DSLO "Military State Policy Source" website: <https://statepolicy.militaryonesource.mil/> Of note, DSLO's state policy priorities do change from year-to-year (as delineated below)

Military Access to Quality Family Child Care (2024)

As described by the DSLO, "In many cases, Defense Department-certified military family childcare providers must also be licensed or registered by the state when simply caring for DoD children. By recognizing military family childcare certification, in lieu of requiring state licensing, states can enhance access to military child care and reduce the time on waitlists. States can also support Military Child Care in Your Neighborhood-PLUS, which increases access for active-duty, National Guard and reserve families."¹²¹ In October 2023, Nebraska was recognized for addressing 1 of 2 sub-priorities regarding this issue.¹²²

Military Spouse Employment and Economic Opportunities (2024)

As described by the DSLO, "Many military spouse professionals must relicense each time they transfer with their active-duty spouse. As states implement the provision of the Military Spouse Licensing Relief Act, they can help military spouses maintain professional and financial stability by enacting licensing compacts and ensuring that licensing agencies make their application processes accessible to military spouses."¹²³ As of October 2023, Nebraska has addressed 8 of 14 sub-priorities (compacts) including the adoption of the Interstate Teacher Mobility Compact in June 2023 through LB 298.¹²⁴ Legislation has been introduced for two additional compacts (the Cosmetology Licensure Compact through LB 561 and the Interstate Massage Compact through LB 280).

Defining Armed Forces in State Policy (2024)

As described by the DSLO, "Recent force structure changes require updates to ensure that states' definitions of military service align with federal law. States can minimize disruptions in benefits and services for eligible service members and dependents by clearly defining "armed forces."¹²⁵ In 2021, the State of Nebraska addressed this issue through the passage of LB 5 and should continue to recognize the Space Force in future military and veteran legislation.

Military Community Representation on State Boards and Councils (2024)

As described by the DSLO, "By including members of the military community, states can ensure that unique

¹²⁰ Defense-State Liaison Office, About. (October 2023). Available: <https://statepolicy.militaryonesource.mil/about>

¹²¹ Defense-State Liaison Office, Military Access to Quality Family Child Care. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/military-access-to-quality-family-child-care>

¹²² Defense-State Liaison Office, Nebraska. (October 2023). Available: <https://statepolicy.militaryonesource.mil/state/NE>

¹²³ Defense State Liaison Office, Military Spouse Employment and Economic Opportunities. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/military-spouse-employment-and-economic-opportunities>

¹²⁴ Defense-State Liaison Office, Nebraska. (October 2023). Available: <https://statepolicy.militaryonesource.mil/state/NE>

¹²⁵ Defense-State Liaison Office, Defining Armed Forces in State Policy. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/defining-armed-forces>

operational requirements and military family priorities are considered across pertinent policy areas.”¹²⁶

State Support for Military Families With Special Education Needs (2024)

As described by the DSLO, “Highly mobile children, including military children, are more likely to experience recurring educational disruptions and challenges, particularly those who need access to special education and related services. States can assist by streamlining processes to ensure timely establishment of comparable special education services upon relocation and reducing burdens associated with due process proceedings.”¹²⁷

Open Enrollment Flexibility (2022, 2023, and 2024)

As described by the DSLO, “Military families are at a disadvantage when it comes to school enrollment options due to military-directed assignments. States can provide military families with improved schooling options by modifying open enrollment policies.”¹²⁸ In 2019, Nebraska addressed this issue through LB 115 which changed provisions related to enrollment of children of members of the military.¹²⁹ It established the right for military families with orders to Nebraska to preliminarily enroll in a school district. As of October 2023, one school district near Offutt AFB reported that they have a number (in the single digits) of preliminary enrollments every year.¹³⁰ Of note, the DSLO considers this priority “partially complete as LB 115 does not list military children as a priority group in the state's existing prioritization system in order to transfer beyond the date of the open enrollment period.”¹³¹

Child Abuse Identification and Reporting (2022, 2023, and 2024)

As described by the DSLO, “Federal law requires the Defense Department to request state reports regarding instances of child abuse and neglect involving military family members. States can assist military Family Advocacy Programs in providing needed support by requiring child protective services to report cases to the military at the onset of their investigations.”¹³² In 2019, the Nebraska Department of Health and Human Services and the 55th Wing signed a Memorandum of Understanding which addresses this issue and expired on April 25, 2022. On September 26, 2022, a new Memorandum of Understanding between the Nebraska Department of Health and Human Services and the 55th Wing was signed for Douglas and Sarpy counties.

Military Family Anti-Discrimination Status (2024)

As described by the DSLO, “To supplement employment protections under the Uniformed Services Employment and Reemployment Rights Act, states can add military family status as a class protected in state education, housing, public utilities and civil rights laws.”¹³³

State Response to Military Interpersonal Violence (2024)

¹²⁶ Defense-State Liaison Office, Military Community Representation on State Boards and Councils. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/military-community-representation-on-state-boards-and-councils>

¹²⁷ Defense-State Liaison Office, State Support for Military Families With Special Education Needs. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/state-support-for-military-families-with-special-education-needs>

¹²⁸ Defense State Liaison Office, Open Enrollment Flexibility. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/open-enrollment-flexibility>

¹²⁹ LB 115. (March 7, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB115.pdf>

¹³⁰ Bellevue Public Schools. (October 11, 2023). Email Correspondence.

¹³¹ Defense-State Liaison Office, Nebraska. (October 2023). Available: <https://statepolicy.militaryonesource.mil/state/NE>

¹³² Defense-State Liaison Office, Child Abuse Identification and Reporting. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/child-abuse-identification-and-reporting>

¹³³ Defense-State Liaison Office, Military Family Anti-Discrimination Status. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/military-family-anti-discrimination-status>

As described by the DSLO, “While the Defense Department has led the implementation of enterprise-wide guidance on prevention, states can address harmful behaviors, such as sexual assault and domestic violence, by expanding protections for victims. Enacting state policy best practices can supplement federal program efforts and changes.”¹³⁴ Nebraska was recognized for addressing 1 of 2 sub-priorities regarding this issue.¹³⁵

Concurrent Juvenile Jurisdiction (2022, 2023, and 2024)

As described by the DSLO, “On military installations subject to exclusive federal jurisdiction, investigation and adjudication of juvenile offenses is limited because cases may only be adjudicated in the federal system. States can adopt concurrent jurisdiction policies to ensure access to state resources and juvenile courts for appropriate adjudication options to better respond to juvenile needs.”¹³⁶

Preliminary Results and Impact of recent State Legislation and Regulatory Reform

The purpose of this section is to assess the impact of recent State of Nebraska legislation and regulatory reform. Additionally of note, the National Conference of State Legislatures produces Military and Veterans Affairs research¹³⁷ and has a Task Force on Military and Veterans Affairs.¹³⁸

2023 Legislation - Legislative Bills (LB) and Legislative Resolutions (LR)

LR 106 provides for an interim study to examine interests in agricultural lands in Nebraska held by foreign individuals, business entities, and governments.¹³⁹ On September 15, 2023, the Agriculture Committee held a hearing regarding this matter.¹⁴⁰ Moving forward, it will be important to review the Agriculture Committee’s report, transcript, or other recommendations given potential insight regarding foreign investment near military installations.

LR 132 provides for an interim study to examine the plausibility of the State of Nebraska becoming a participant in the Dentist and Dental Hygienist Compact.¹⁴¹ On September 20, 2023, the Health and Human Services Committee held a hearing regarding this matter.¹⁴² Moving forward, it will be important to review the Health and Human Services Committee’s report, transcript, or other recommendations.

LR 142 provides for an interim study to examine Nebraska’s policies relating to veterans and the competitiveness of Nebraska for veterans and current service members when choosing where to live after retirement.¹⁴³ On September 29, 2023, the Government, Military and Veterans Affairs Committee held a hearing regarding this matter.¹⁴⁴ Moving forward, it will be important to review the Government, Military and Veteran Affairs Committee’s report, transcript, or other recommendations.

LR 232 provides for an interim study to examine the plausibility of the State of Nebraska joining the Social Work

¹³⁴ Defense-State Liaison Office, State Response to Military Interpersonal Violence. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/state-response-to-military-interpersonal-violence>

¹³⁵ Defense-State Liaison Office, Nebraska. (October 2023). Available: <https://statepolicy.militaryonesource.mil/state/NE>

¹³⁶ Defense-State Liaison Office, Concurrent Juvenile Jurisdiction. (October 2023). Available: <https://statepolicy.militaryonesource.mil/priorities/concurrent-juvenile-jurisdiction>

¹³⁷ National Conference of State Legislatures, Research. (2023). Available: <https://www.ncsl.org/research/military-and-veterans-affairs.aspx>

¹³⁸ National Conference of State Legislatures, Task Force on Military and Veterans Affairs. (2023). Available: <https://www.ncsl.org/ncsl-in-dc/task-forces/task-force-on-military-and-veterans-affairs.aspx>

¹³⁹ LR 106. (April 20, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Intro/LR106.pdf>

¹⁴⁰ LR 106. (September 15, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=51864

¹⁴¹ LR 132. (May 5, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Intro/LR132.pdf>

¹⁴² LR 132. (September 20, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=53581

¹⁴³ LR 142. (May 10, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Intro/LR142.pdf>

¹⁴⁴ LR 142. (September 29, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=53797

Licensure Compact.¹⁴⁵ On September 20, 2023, the Health and Human Services Committee held a hearing regarding this matter.¹⁴⁶ Moving forward, it will be important to review the Health and Human Services Committee’s report, transcript, or other recommendations.

LR 233 provides for an interim study to examine the plausibility of the State of Nebraska joining the Physician Assistant Licensure Compact.¹⁴⁷ On September 20, 2023, the Health and Human Services Committee held a hearing regarding this matter.¹⁴⁸ Moving forward, it will be important to review the Health and Human Services Committee’s report, transcript, or other recommendations.

LB 103 changed provisions of the County Employees Retirement Act, the Judges Retirement Act, the Nebraska State Patrol Retirement Act, the School Employees Retirement Act, and the State Employees Retirement Act.¹⁴⁹ LB 103 included provisions/portions of LB 105 through AM 417. The intent of LB 105 was to change the definition of military service to include preparations for military service, rest and recovery after military service, and state active service in line with the federal Uniformed Services Employment and Reemployment Rights Act (USERRA). As of October 2023, Nebraska Revised Statutes are aligned with USERRA.

LB 298 adopts the Interstate Teacher Mobility Compact and requires school districts and the State Department of Education to collect and report information regarding dyslexia and other learning disabilities and to establish dress code and grooming policies.¹⁵⁰ LB 298 included provisions/portions of LB 413 through AM 1691. The intent of LB 413 was to adopt the Interstate Teacher Mobility Compact, one of fourteen FY24 sub-priorities regarding military spouse employment and economic opportunities promoted by the Defense State Liaison Office. As of October 2023, Nebraska is one of ten states to enact the Interstate Teacher Mobility Compact.¹⁵¹

LB 705 provides, changes, transfers, and eliminates provisions relating to education.¹⁵² LB 705 included provisions/portions of LB 698 through AM 1468. The intent of LB 698 was to grant residency and education benefits to veterans of the United States Space Force.

LB 814 appropriated funds for the expenses of Nebraska State Government for the biennium ending June 30, 2025, and appropriate Federal Funds allocated to the State of Nebraska pursuant to the federal American Rescue Plan Act of 2021.¹⁵³ LB 814 included provisions/portions of LB 80 through AM 915. LB 814 appropriated \$8 Million for the construction of the Nebraska Veterans Cemetery at Grand Island.¹⁵⁴ LB 814 also included provisions/portions of LB 609 through AM 915. LB 814 appropriated \$2.5 Million for the purpose of awarding a grant to a not-for-profit organization to complete construction of a memorial to honor Nebraska personnel who were killed in action during the Vietnam War. In September 2023, the Nebraska Department of Veterans Affairs awarded \$2.5 Million to the Nebraska Vietnam Veterans Memorial Foundation for construction of its Vietnam War Memorial in Papillion.¹⁵⁵

LB 818 Provide for transfers of funds, create funds, and change and eliminate provisions regarding the sources,

¹⁴⁵ LR 232. (May 18, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Intro/LR232.pdf>

¹⁴⁶ LR 232. (September 20, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=54089

¹⁴⁷ LR 233. (May 18, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Intro/LR233.pdf>

¹⁴⁸ LR 233. (September 20, 2023). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=54098

¹⁴⁹ LB 103. (May 1, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Slip/LB103.pdf>

¹⁵⁰ LB 298. (June 1, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Slip/LB298.pdf>

¹⁵¹ Interstate Teacher Mobility Compact. (October 2023). Available: <https://teachercompact.org/>

¹⁵² LB 705. (June 1, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Slip/LB705.pdf>

¹⁵³ LB 814. (May 31, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Slip/LB814.pdf>

¹⁵⁴ Nebraska Veterans Cemetery at Grand Island. (October 2023). Available: <https://veterans.nebraska.gov/nvsgi>

¹⁵⁵ Nebraska Department of Veterans’ Affairs, press release. (September 15, 2023). Available: <https://veterans.nebraska.gov/ndva-awards-25m-grant-vietnam-war-memorial>

uses, and transfers of funds.¹⁵⁶ LB 818 provides for the transfer of \$4 Million from the Nebraska Veterans' Aid Fund to the Veteran Cemetery Construction Fund on July 15, 2023 and \$4 Million from the Nebraska Veterans' Aid Fund to the Veteran Cemetery Construction Fund on July 15, 2024.

2022 Legislation - Legislative Bills (LB) and Legislative Resolutions (LR)

LR 373 provides for an interim study to examine the feasibility of developing a policy and implementing a statewide process for awarding college credit in specific programs of study across all public educational institutions for military education and training.¹⁵⁷ On September 30, 2022, the Education Committee held a hearing regarding this matter.¹⁵⁸

LR 388 provides for an interim study to examine the rating and combined rating system that the Department of Veterans' Affairs uses to determine compensation payments and access to other benefits.¹⁵⁹ The resolution was referred to the Government, Military and Veterans Affairs Committee on April 5, 2022. As of October 2023, there appears to be no publicly available record of this study.

LB 752, the Health and Human Services Committee omnibus bill, adopted the Occupational Therapy Practice Interstate Compact and Licensed Professional Counselors Interstate Compact originally proposed in LB 15 and LB 554.¹⁶⁰ In August 2022, the Occupational Therapy Compact Commission held its inaugural Commission meeting and is focused on developing a compact data system as of October 2023.¹⁶¹ Applications for Counseling Compact privileges to practice are expected to open in 2024.¹⁶²

LB 779 changed provisions regarding the tuition assistance program for the Nebraska National Guard.¹⁶³ Specifically, it removed the 10-year limitation to access State Tuition Assistance for members of the Nebraska National Guard. As of November 2023, 19 Nebraska National Guard members have benefited from this change since the July 21, 2022 effective date of LB 779.¹⁶⁴

LB 843 changed provisions relating to elections to include provisions originally proposed in LB 841.¹⁶⁵ These provisions allow "members of the Nebraska National Guard ordered into active service of the state or of the United States to simultaneously register to vote and make application for ballots for all elections in a calendar year through the use of the Federal Post Card Application or a personal letter which includes the same information as appears on the Federal Post Card Application."¹⁶⁶

LB 922, the Judiciary Committee omnibus bill, adopted the provisions of LB 990 through AM 2332.¹⁶⁷ The provisions of LB 990 created the offense of stolen valor by any person who fraudulently claims for their personal benefit that they are an active member or veteran of any branch of the United States military or that they are the recipient of any military honor. As of October 2023, there is no clear methodology for assessing the impact of this

¹⁵⁶ LB 818. (May 24, 2023). Available: <https://nebraskalegislature.gov/FloorDocs/108/PDF/Slip/LB818.pdf>

¹⁵⁷ LR 373. (March 28, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR373.pdf>

¹⁵⁸ LR 373, Education Committee Hearing Transcript. (September 30, 2022). Available:

<https://www.nebraskalegislature.gov/FloorDocs/107/PDF/Transcripts/Education/2022-09-30.pdf>

¹⁵⁹ LR 388. (March 28, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR388.pdf>

¹⁶⁰ LB 752. (April 18, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB752.pdf>

¹⁶¹ Occupational Therapy Licensure Compact. (October 2023). Available: <https://otcompact.org/>

¹⁶² Counseling Compact. (October 2023). Available: <https://counselingcompact.org/>

¹⁶³ LB 779. (April 18, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB779.pdf>

¹⁶⁴ Nebraska National Guard, Government Relations Specialist. (November 9, 2023). Email correspondence.

¹⁶⁵ LB 843. (April 19, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB843.pdf>

¹⁶⁶ Nebraska Revised Statute 32-939. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=32-939>

¹⁶⁷ LB 922. (April 19, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB922.pdf>

legislation.

LB 1011 made adjustments to the appropriations and reappropriations for state operations and aid programs in the current fiscal year ending June 30, 2022.¹⁶⁸ LB 1011 included provisions/portions of LB 1233 through AM 1999. LB 1011 appropriated \$30 Million “for the purposes and eligible uses of the Military Base Development and Support Fund.”

LB 1012 provided for funds transfer, create funds, and change and eliminate provisions regarding funds and reimbursement provisions.¹⁶⁹ LB 1012 included provisions and portions of LB 1232 leading to changes of Nebraska Revised Statute 81-12, 145 and 81-12,147. Nebraska Revised Statute 81-12, 145, paragraph (3) notes “The Legislature finds that development of a public-private-partnership facility in conjunction with the United States Strategic Command will enhance the economic conditions and create conditions favorable to the industrial readiness of the state.” Nebraska Revised Statute 81-12, 147, paragraph (1)(h) notes “Public and private sector initiatives that will improve the military value of military installations by making necessary improvements to buildings and infrastructure, including, but not limited to, a grant for the establishment of the United States Strategic Command Nuclear Command, Control, and Communications public-private-partnership facility; and.” The change to Nebraska Revised Statute 81-12,147 builds on LB 96 from 2018. Nebraska Revised Statute 81-12, 148, paragraph (2) notes “An applicant for a grant for development of a public-private-partnership facility under subdivision (1)(h) of section 81-12,147 shall provide the Director of Economic Development with a letter of support from the United States Strategic Command prior to approval of the application and with proof of the availability of twenty million dollars in private or other funds for the facility. No funds shall be expended or grants awarded until receipt of proof of the availability of twenty million dollars in private or other funds for the facility and certification is provided by the Director of Economic Development to the budget administrator of the budget division of the Department of Administrative Services.” LB 1012 also included provisions and portions of LB 1233 leading to Nebraska Revised Statute 55-901.¹⁷⁰ Nebraska Revised Statute 55-901 paragraph (1) notes “The Military Base Development and Support Fund is created. The fund shall be used to contribute to construction, development, or support on any military base, located in Nebraska, for purposes of improving mission retention and recruitment; supporting the morale, health, and mental wellness of military members and families; and growing the economic impact of military bases in Nebraska. The Department of Veterans' Affairs shall administer the fund. The fund shall consist of transfers authorized by the Legislature and any gifts, grants, or bequests from any source, including federal, state, public, and private sources, for such purposes. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.” Nebraska Revised Statute 55-901 paragraph (2) notes “The fund may be used for projects on military bases located in Nebraska, including, but not limited to: (a) An outdoor airman amenity pavilion; (b) Track and field stadium improvements; (c) A parade-ground walking trail; (d) Improvements at Willow Lakes Golf Course; (e) Base Lake improvements; (f) Landscape enhancements; (g) Deterrence Park; (h) Looking Glass Heritage Park; (i) Quarters 13 comprehensive repairs, design, and construction; and (j) B1000 Rooftop Garden.” Nebraska Revised Statute 55-901 paragraph (3) notes “The Department of Veterans' Affairs shall require a match of private funding in an amount equal to or greater than one-half of the total cost of any project listed in subsection (2) of this section prior to authorizing an expenditure from the fund.” Finally, the 2022 Biennial Budget Report, published in July 2022, notes both the USSTRATCOM facility and Military Base Development Fund.¹⁷¹ In March 2023, the Nebraska Department of Economic Development met the statutory requirements of Nebraska Revised

¹⁶⁸ LB 1011. (April 7, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB1011.pdf>

¹⁶⁹ LB 1012. (April 7, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB1012.pdf>

¹⁷⁰ Nebraska Revised Statute 55-901. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-901>

¹⁷¹ 2022 Biennial Budget Report. (July 2022). Available: <https://nebraskalegislature.gov/pdf/reports/fiscal/2022budget.pdf>

Statutes 81-12, 147 and 81-12, 148 through the distribution of twenty million dollars.¹⁷²

LB 1013 changed provisions related to the Cash Reserve Fund.¹⁷³ Nebraska Revised Statute 84-612, paragraph (9) notes “The State Treasurer shall transfer thirty million dollars from the Cash Reserve Fund to the Military Base Development and Support Fund on or before June 30, 2023, but not before July 1, 2022, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.” Nebraska Revised Statute 84-612, paragraph (16) notes “The State Treasurer shall transfer twenty million dollars from the Cash Reserve Fund to the Site and Building Development Fund on July 15, 2022, or as soon thereafter as administratively possible, and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.”

2021 Legislation and Legislative Research

In November 2021, the Legislative Research Office published an informational brief focused on Nebraska veterans.¹⁷⁴

LR 1 expressed support for the United States Air Force to reestablish the United States Space Command headquarters at Offutt AFB.¹⁷⁵ Offutt AFB, Bellevue, Nebraska along with the other five reasonable alternatives to the preferred location (Redstone Arsenal, Huntsville, Alabama)¹⁷⁶ for the permanent headquarters of the United States Space Command received a finding of “no significant impact” regarding environment impact.¹⁷⁷ On July 31, 2023, the Department of Defense announced that President Biden has selected Colorado Springs as the permanent location of the U.S. Space Command Headquarters.¹⁷⁸

LB 4 changed the tuition credit provisions for the active Selected Reserve of the armed forces of the United States.¹⁷⁹ Changes to the Nebraska Department of Veterans’ Affairs Reservist Tuition Credit Program include: an increase from 50% to 75% for undergraduate degrees; an expansion to include 50% tuition credit for graduate and professional degrees; eligibility expansion to include both officers and enlisted members of the Selected Reserve; and an elimination of the 10 year program cutoff. As of October 2023, NDVA has approved 14 Selected Reservists for the Reservist Tuition Credit Program for calendar year 2023.¹⁸⁰

LB 5 adopted the Purple Star Schools Act.¹⁸¹ Under this Act, the Nebraska Department of Education may designate any school as a “Purple Star School” if the school applies and meets certain qualifications pursuant to Nebraska Revised Statutes 79-2801 through 79-2804.¹⁸² As of October 2023, the Nebraska Department of Education has recognized 37 Purple Star Schools in 10 School Districts across the State of Nebraska.¹⁸³

LB 14 adopted the Audiology and Speech-Language Pathology Interstate Compact.¹⁸⁴ This compact allows for a

¹⁷² Nebraska Department of Economic Development. (2023). Email correspondence.

¹⁷³ LB 1013. (April 7, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB1013.pdf>

¹⁷⁴ Legislative Research Office, Veterans Benefits. (2023). Available: https://nebraskalegislature.gov/pdf/reports/research/2021_veterans_benefits.pdf

¹⁷⁵ LR 1. (February 1, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR1.pdf>

¹⁷⁶ Secretary of the Air Force Public Affairs. (January 13, 2021). Available: <https://www.af.mil/News/Article-Display/Article/2471163/secaf-selects-huntsville-alabama-as-preferred-location-to-host-usspacecom/>

¹⁷⁷ Air Force Civil Engineer Center, United States Space Command Permanent Headquarters Environmental Assessment. (September 2022). Available: <https://www.afcec.af.mil/What-We-Do/Environment/US-Space-Command-Permanent-HQ-Environmental-Assessment/>

¹⁷⁸ U.S. Department of Defense, “Statement From Pentagon Press Secretary Brig. Gen. Patrick Ryder on U.S. Space Command.” (July 31, 2023). Available: <https://www.defense.gov/News/Releases/Release/Article/3477514/statement-from-pentagon-press-secretary-brig-gen-patrick-ryder-on-us-space-comm/>

¹⁷⁹ LB 4. (March 17, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB4.pdf>

¹⁸⁰ Nebraska Department of Veterans’ Affairs. (2023). Email correspondence.

¹⁸¹ LB 5. (April 16, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB5.pdf>

¹⁸² Nebraska Revised Statute 79-2801. (August 28, 2021). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=79-2801>

¹⁸³ Nebraska Department of Education. (September 28, 2022). Available: <https://www.education.ne.gov/purplestar/recognized-purple-star-schools/>

¹⁸⁴ LB 14. (March 31, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB14.pdf>

temporary license to practice audiology or speech-language pathology to a military spouse, someone who establishes residency in Nebraska, or someone who is a resident of a member state belonging to the Audiology and Speech-Language Interstate Compact. As of October 2023, the Audiology and Speech-Language Pathology Interstate Compact “has been enacted into law in 29 states.”¹⁸⁵

LB 35 changed the membership provisions for the First Regiment Nebraska Volunteer Infantry at Fort Donelson Committee.¹⁸⁶ Specifically, LB 35 addressed a separation of powers issue by designating the Chair of the Government, Military and Veterans Affairs Committee as an ex officio, non-voting member.

LB 77 prohibits insurance risk classifications and rate adjustments because the insured is deployed in the military.¹⁸⁷ As of October 2023, there is no clear methodology for measuring the impact of this legislation.

LB 78 requires applicants for certain license plates to register with the Nebraska Department of Veterans’ Affairs.¹⁸⁸ Specifically, LB 78 directs the Department of Motor Vehicles to use the Department of Veterans’ Affairs registry for determining eligibility for Gold Star Family, Ex-Prisoner of War, Disabled American Veteran, and Purple Heart license plates. In 2022, the Department of Motor Vehicles issued 245 Gold Star Family, 7 Ex-Prisoner of War, 1,340 Disabled American Veteran, and 737 Purple Heart license plates.¹⁸⁹

LB 261 changed the provisions regarding grave markers for certain veterans.¹⁹⁰ Specifically, LB 261 requires counties to provide grave markers for Nebraska National Guard members who served on federal active duty or who served in the Nebraska National Guard after June 30, 1973. As of October 2023, there is no clear methodology for measuring the impact of this legislation.

LB 313 changed the provisions relating to late applications for homestead exemptions.¹⁹¹ As of October 2023, there is no clear methodology for measuring the impact of this legislation.

LB 384 led to the creation of the United States Space Command Headquarters Assistance Fund¹⁹² as described in Nebraska Revised Statute 55-801.¹⁹³ Offutt AFB, Bellevue, Nebraska along with the other five reasonable alternatives to the preferred location (Redstone Arsenal, Huntsville, Alabama)¹⁹⁴ for the permanent headquarters of the United States Space Command received a finding of “no significant impact” regarding environment impact.¹⁹⁵ On July 31, 2023, the Department of Defense announced that President Biden has selected Colorado Springs as the permanent location of the U.S. Space Command Headquarters.¹⁹⁶

LB 387 exempts 100% of military retirement pay from Nebraska income tax beginning on or after January 1, 2022.¹⁹⁷ The Nebraska Department of Revenue preliminary data for tax year 2022 indicates 7,970 returns have

¹⁸⁵ Audiology and Speech-Language Pathology Interstate Compact. (October 2023). Available: <https://aslpcompact.com/>

¹⁸⁶ LB 35. (March 31, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB35.pdf>

¹⁸⁷ LB 77. (March 17, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB77.pdf>

¹⁸⁸ LB 78. (April 16, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB78.pdf>

¹⁸⁹ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (October 12, 2023). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

¹⁹⁰ LB 261. (May 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB261.pdf>

¹⁹¹ LB 313. (May 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB313.pdf>

¹⁹² LB 384. (April 26, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB384.pdf>

¹⁹³ Nebraska Revised Statute 55-801. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-801>

¹⁹⁴ Secretary of the Air Force Public Affairs. (January 13, 2021). Available: <https://www.af.mil/News/Article-Display/Article/2471163/secaf-selects-huntsville-alabama-as-preferred-location-to-host-usspacecom/>

¹⁹⁵ Air Force Civil Engineer Center, United States Space Command Permanent Headquarters Environmental Assessment. (September 2022). Available: <https://www.afcec.af.mil/What-We-Do/Environment/US-Space-Command-Permanent-HQ-Environmental-Assessment/>

¹⁹⁶ U.S. Department of Defense, “Statement From Pentagon Press Secretary Brig. Gen. Patrick Ryder on U.S. Space Command.” (July 31, 2023). Available: <https://www.defense.gov/News/Releases/Release/Article/3477514/statement-from-pentagon-press-secretary-brig-gen-patrick-ryder-on-us-space-comm/>

¹⁹⁷ LB 387. (May 25, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB387.pdf>

been filed leading to \$277,039,873 of deducted military retirement income.¹⁹⁸ While this is the amount deducted and not the amount of lost tax revenue, one can estimate the impact to the General Fund. Presuming that all the filers were in the top state income tax bracket of 6.84%, the maximum impact to the general fund would equal 6.84% of the total amount deducted. For 2022, this preliminary impact would equal \$18,949,527. The estimated fiscal impact for FY 2022-23 was a revenue decrease of \$19,576,000.¹⁹⁹ As of January 31, 2023, there were 13,513 military retirees receiving pay from the Department of Defense.²⁰⁰

LB 389 required the issuance of teaching certificates and permits to military spouses²⁰¹ and led to changes to Nebraska Revised Statute 79-813.²⁰² Seven military teaching permits have been issued between September 1, 2022 and September 30, 2023.²⁰³

LB 390 provides for credentials based on reciprocity and changed requirements for credentials under the Uniform Credentialing Act.²⁰⁴ As of October 2023, there is no clear methodology for measuring the impact of this legislation.

LB 669, known as the Veteran Promise Act, changed residency requirements for postsecondary education for veterans and spouses and dependents of veterans.²⁰⁵ The Nebraska State College System filed its 2022 NSCS Veteran Promise Act Report on December 21, 2022.²⁰⁶ The University of Nebraska filed its 2022 Veteran Promise Act Report on February 14, 2023.²⁰⁷

2020 Legislation

LB 153 would have exempted 50% of military retirement pay from Nebraska income tax for taxable years beginning on or after January 1, 2022.²⁰⁸ However, the passage of LB 387 in 2021 superseded any impact of LB 153. The estimated fiscal impact for FY 2021-22 was a revenue decrease of \$5,431,000 as noted in the fiscal note for LB 153.²⁰⁹

LB 450 changed provisions regarding the tuition assistance program for the Nebraska National Guard.²¹⁰ Specifically, this bill increased the credit from 75 percent to 100 percent of the resident tuition charges for a diploma, certificate, associate degree or baccalaureate degree. Additionally, this bill expanded the use of tuition assistance for 50 percent of the resident tuition charges for graduate degrees and professional programs. As of November 2023, 8 Nebraska National Guard members have benefited from this change to pursue graduate degrees and 235 Nebraska National Guard members have benefited from the tuition assistance program from July

¹⁹⁸ Nebraska Department of Revenue. (2023). Email correspondence.

¹⁹⁹ LB 387, Fiscal Note Revision 1. (March 22, 2021). Available: https://nebraskalegislature.gov/FloorDocs/107/PDF/FN/LB387_20210322-090134.pdf

²⁰⁰ DoD Office of the Actuary, "Congressional District Reports" (January 2023). Available:

<https://actuary.defense.gov/Portals/15/Cong%20Dist%202022%20v3.pdf?ver=13J1Z-ldxRlvJeXfnkReDg%3d%3d>

²⁰¹ LB 389. (March 31, 2021). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=43747

²⁰² Nebraska Department of Education. (2023). Military Teaching Permit. Available: <https://www.education.ne.gov/tcert/teaching-certificates/teaching-military-certificate/>

²⁰³ Nebraska Department of Education. (October 11, 2023). Email correspondence.

²⁰⁴ LB 390. (April 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB390.pdf>

²⁰⁵ LB 669. (May 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB669.pdf>

²⁰⁶ Nebraska State College System, Veteran Promise Act. (December 21, 2022). Available: https://nebraskalegislature.gov/FloorDocs/107/PDF/Agencies/Nebraska_State_College_System/795_20221221-140548.pdf

²⁰⁷ University of Nebraska, Veteran Promise Act. (February 14, 2023). Available: https://nebraskalegislature.gov/FloorDocs/108/PDF/Agencies/University_of_Nebraska/806_20230214-111000.pdf

²⁰⁸ LB 153. (August 17, 2020). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB153.pdf>

²⁰⁹ LB 153, Fiscal Note. (July 23, 2020). Available: https://www.nebraskalegislature.gov/FloorDocs/106/PDF/FN/LB153_20200723-142228.pdf

²¹⁰ LB 450. (August 17, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB450.pdf>

1, 2022 to June 30, 2023.²¹¹

LB 755, an omnibus bill which included language from LB 752 through amendment 2991, tasks the Department of Health and Human Services and the Department of Veterans' Affairs to "work jointly to encourage service providers in their respective departments and in other state and local agencies and departments to ask the question 'Have you or a family member ever served in the military?'"²¹² The "Ask the Question" campaign was one of ten key issues promoted by the Defense-State Liaison Office in 2020. As of October 2023, Nebraska was one of fifteen states to advance this "Emeritus priority" DSLO policy issue.²¹³

LB 770 established a disabled veteran park entry permit through the Nebraska Game and Parks Commission.²¹⁴ Specifically, a veteran who is a resident of Nebraska may be issued one free disabled veteran permit for a resident motor vehicle under certain conditions such as an honorable or general (under honorable conditions) discharge, a disability rating of 50% or more by the U.S. Department of Veterans Affairs, or if the veteran is receiving a pension from total and permanent disability from the U.S. Department of Veterans Affairs. The January 2020 fiscal note for LB 770 estimated the revenue loss from LB 770 by estimating the issuance of 7821 permits in FY21 and 8380 permits in FY22.²¹⁵ During permit year 2021, 3732 "Resident Lifetime Disabled Veteran Motor Vehicle Park Entry Permits" were issued by the Nebraska Game and Parks Commission. As of September 30, 2023, 1,227 "Resident Lifetime Disabled Veteran Motor Vehicle Park Entry Permits" have been issued for permit year 2022. The total of "Resident Lifetime Disabled Veteran Motor Vehicle Park Entry Permits" issued as of September 30, 2023 (for permit years 2021, 2022, and part of 2023) is 6,655.²¹⁶

LB 850 created the First Regiment Nebraska Volunteer Infantry at Fort Donelson Committee with the aim of placing a monument to this unit at the Fort Donelson National Battlefield.²¹⁷ Specifically, the committee is responsible for the design, creation, transportation, and placement of the monument funded through gifts, grants, donations, and other private funding.

LB 911 amended the state veteran cemetery system to provide for the transfer of the former Nebraska Veterans' Memorial Cemetery in Grand Island to the Nebraska Department of Veterans' Affairs.²¹⁸ The impact of this legislation will be the creation of the State of Nebraska Veterans' Cemetery at Grand Island.

LB 944, an omnibus bill which included language from LB 1139 through amendment 2612, tasked the Department of Motor Vehicles to design and offer a "Pets for Vets" license plate in accordance with the Motor Vehicle Registration Act.²¹⁹ Fees for "Pets for Vets" license plates fund a program administered by the Nebraska Department of Veterans' Affairs with the purpose of providing financial support to veterans for the cost associated with adopting a pet animal. In 2022, 557 "Vets Get Pets" license plates were purchased.²²⁰ As of October 2023, the program has provided financial support for 61 pet adoptions by veterans through the expenditure of \$18,234.

2019 Legislation

LB 6 changed residency provisions relating to persons on active duty and their dependents for college tuition

²¹¹ Nebraska National Guard, Government Relations Specialist. (November 9, 2023). Email correspondence.

²¹² LB 755. (August 15, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB755.pdf>

²¹³ Defense State Liaison Office. (October 2023). Available: <https://statepolicy.militaryonesource.mil/emeritus-status-tracker/ask-the-question-campaign>

²¹⁴ LB 770. (July 24, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB770.pdf>

²¹⁵ LB 770, Fiscal Note. (January 8, 2020). Available: https://nebraskalegislature.gov/FloorDocs/106/PDF/FN/LB770_20200129-125121.pdf

²¹⁶ Nebraska Game and Parks Commission. (October 2023). Email correspondence.

²¹⁷ LB 850. (August 6, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB850.pdf>

²¹⁸ LB 911. (August 6, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB911.pdf>

²¹⁹ LB 944. (August 6, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB944.pdf>

²²⁰ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (October 11, 2023). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

purposes.²²¹ Specifically, this bill allows spouses and dependents of active-duty service members to continue to qualify for in-state tuition so long as the active-duty service member was assigned a permanent duty station in Nebraska at the time of their admission and that they remain continuously enrolled at the institution. As of October 2023, there is no clear methodology for assessing the impact of this legislation.

LB 12 provided a license fee exemption for service members and their spouses under the Nebraska Real Estate License Act.²²² Specifically, this bill allows active-duty military members or their spouses to be licensed realtors in Nebraska without having to pay the licensing fee, provided they have a valid realtor's license in another state. The Nebraska Real Estate Commission has implemented the law, including changes to its website, application form, and instructions.²²³ As of October 12, 2023, no one has applied or qualified for the exemptions.²²⁴

LB 112 provided a waiver of "all fees for initial credentials under the Uniform Credentialing Act for low-income individuals, military families, and young workers."²²⁵ Nebraska Revised Statute 38-117.02 defines military families as "active duty service members in the armed services of the United States, military spouses, honorably discharged veterans of the armed services of the United States, spouses of such honorably discharged veterans, and un-remarried surviving spouses of deceased service members of the armed services of the United States."²²⁶ The provisions of LB 112 became operative on January 1, 2020. As of September 2022, there have been 901 military family fee waivers issued by Nebraska's Department of Health and Human Services, saving military families in Nebraska an estimated total of \$162,118 for initial credentials under the Uniform Credentialing Act and potentially an estimated total of over \$233,000 for initial credentials and license renewal fees.²²⁷

LB 115 changed provisions related to enrollment of children of members of the military.²²⁸ It established the right for military families with orders to Nebraska to preliminarily enroll in a school district. As of October 2023, one school district near Offutt AFB reported that they have a number (in the single digits) of preliminary enrollments every year.²²⁹

LB 122 changed postsecondary residency requirements for veterans, family members, and other qualified persons receiving USDVA vocational rehabilitation.²³⁰ There is no recommended methodology for measuring the impact of this legislation.

LB 138 provided for the issuance of six additional Military Honor license plates, the creation of a Support Our Troops license plate, requires the Department of Labor to have a veterans' program coordinator, and tasks the Department of Veterans' Affairs to develop a website with a job-search tool.²³¹ Since October 2019, the Nebraska Department of Labor has designated a veterans' program coordinator. The Nebraska Department of Veterans' Affairs has developed and promoted improvements to its website and was recognized with a "dotcom Gold Award."²³² In 2022, 20,145 Military Honor license plates were issued by the Nebraska Department of Motor

²²¹ LB 6. (May 8, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB6.pdf>

²²² LB 12. (March 6, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB12.pdf>

²²³ Nebraska Real Estate Commission. (2023). Available: <https://nrec.nebraska.gov/licensing-forms/veterans.html>

²²⁴ Nebraska Real Estate Commission. (October 12, 2023). Email correspondence.

²²⁵ LB 112. (March 21, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB112.pdf>

²²⁶ Nebraska Revised Statute 38-117.02. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=38-117.02>

²²⁷ DHHS Division of Public Health and associated author analysis. (September 2022). Email correspondence.

²²⁸ LB 115. (March 7, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB115.pdf>

²²⁹ Bellevue Public Schools. (October 11, 2023). Email Correspondence.

²³⁰ LB 122. (March 7, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB122.pdf>

²³¹ LB 138. (May 8, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB138.pdf>

²³² Nebraska Department of Veterans' Affairs Press Release. (October 27, 2021). Available: <https://veterans.nebraska.gov/nebraska-department-veterans%E2%80%99-affairs-presented-dotcomm-gold-award-new-website>

Vehicles, which was an increase from 19,788 in 2021, and 19,494 in 2020.²³³

LB 152 codifies rights of Nebraska National Guard members and provides confidentiality of members' residential addresses.²³⁴ LB 152 extends the ability to have residential addresses withheld to members of the Nebraska National Guard who participate with state, county, or local government in a law enforcement function prescribed by that government. As of October 2023, there is not clear methodology for measuring the impact of this legislation.

LB 156 provides for the operation of former military vehicles.²³⁵ As of October 2023, Nebraska Department of Motor Vehicle registration statistics for 2022 indicate 94 former military vehicle titles have been issued (85 trucks, 8 passenger vehicles, and 1 trailer).²³⁶

LB 192 changed provisions relating to veteran designations on operators' licenses and state identification cards starting January 1, 2021.²³⁷ Nebraska Revised Statute 60-4,189 allows the words "Reserve-Veteran" to be placed on the front of an operator license or state identification card of an individual who served in the Army, Air Force, Navy, Marine Corps, or Coast Guard Reserve. Nebraska Revised Statute 60-4,189 allows the words "Guard-Veteran" to be placed on the front of an operator license or state identification card of an individual who served in the National Guard. Nebraska Revised Statute 60-4,189 also recognizes an individual who served as a commissioned officer in the U.S. Public Health Service or National Oceanic and Atmospheric Administration for the "Veteran" or "Reserve-Veteran" designation on operators' licenses and state identification cards.²³⁸ The provisions in LB 192 do not determine veteran status for any other purpose. As of October 2023, there are 1,018 "Guard-Veteran," 471 "Reserve-Veteran," and 59,954 "Veteran" valid operators' licenses and state identification cards.²³⁹

LB 223 provides a state-sponsored insurance program for members of the Nebraska National Guard.²⁴⁰ State Sponsored Life Insurance (SSLI) is a program that provides group term life insurance exclusively for National Guard members and their dependents. The program is derived from the Veterans' Insurance Act of 1974, Public Law 93-289, to encourage persons to join and remain in the National Guard. Nebraska's program is comprised of a combination of six voluntary group life policies available to the military members of the Nebraska National Guard and is designed to help meet the needs of its members. LB 223 provides further guidance within state law on the state-sponsored life insurance program, ensuring National Guard members maintain the opportunity to access information and enroll in the program. LB 223 directs the Adjutant General to allow the availability of the state-sponsored life insurance program to all National Guard members, provide an opportunity to purchase state-sponsored life insurance program products, and allow education briefings about the state-sponsored life insurance program for members. As of October 2023, the Nebraska National Guard Association is 1 of 13 participating National Guard associations.²⁴¹

LB 486 adopts the Veteran and Active Duty Supportive Postsecondary Institution Act.²⁴² This Act creates a state designation for college and university campuses in Nebraska that offer at least five out of eight specific criteria in

²³³ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (October 11, 2023). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

²³⁴ LB 152. (March 12, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB152.pdf>

²³⁵ LB 156. (March 21, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB156.pdf>

²³⁶ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (October 11, 2023). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

²³⁷ LB 192. (March 12, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB192.pdf>

²³⁸ Nebraska Revised Statute 60-4,189. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=60-4,189>

²³⁹ Nebraska Department of Motor Vehicles. (2023). Email correspondence.

²⁴⁰ LB 223. (March 12, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB223.pdf>

²⁴¹ National Guard State Sponsored Life Insurance. (2023). Available: <https://www.ngssli.com/index.html>

²⁴² LB 486. (March 21, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB486.pdf>

regard to their veteran and active duty students.²⁴³ As of October 2023, seven institutions have been designated as Veteran and Active Duty Supportive per the Veteran and Active Duty Supportive Postsecondary Institution Act (Nebraska Revised Statutes 85-2701 to 85-2705).²⁴⁴

LB 575 requires school district policies regarding the provision of information to and access by military recruiters.²⁴⁵ It adds language to the statute in order to provide equal access to secondary education institutions (High Schools) to military recruiters that is enjoyed by all other post-secondary recruiters who visit High Schools and speak with students about opportunities after graduation. As of October 2023, there is no clear methodology for measuring the impact of this legislation.

2018 Legislation

LB 96 expanded the enumerated list of activities that are eligible for assistance from the Department of Economic Development's Site and Building Development Fund.²⁴⁶ Specifically, pursuant to Nebraska Revised Statute 81-12,147 "Public and private sector initiatives that will improve the military value of military installations by making necessary improvements to buildings and infrastructure" are activities eligible for assistance from the fund.²⁴⁷ As of September 30, 2023, the current balance of the Site and Building Development Fund is approximately \$33.4 million recognizing that most of the funding is either under contract or has been obligated (offered) for specific projects. As of October 2023, no entities have requested access to the Site and Building Development Fund for initiatives to improve the military value of military installations.²⁴⁸

LB 901 protects Nebraska National Guard flight training areas by amending state statutes related to permitting decisions made by the Division of Aeronautics of the Nebraska Department of Transportation.²⁴⁹ Typically, a permit is required "before erecting/building any structure exceeding a height of 150 feet above the surface of the ground at the point of installation, unless erected under the authority of a license or permit issued by a federal agency." The Nebraska Department of Transportation's Division of Aeronautics has fully implemented LB 901.²⁵⁰ As of October 2023, there have been no reported issues regarding encroachment at Nebraska National Guard flight training areas.²⁵¹

LB 682 provides consumer protection and civil relief for service members, typically a right of early termination to service contracts (internet, television, phone services).²⁵² Nebraska Revised Statutes 55-701 to 55-704 implement these protections.²⁵³ As of October 2023, there have been no reports of these protections not working.

LB 685 provides a funding priority for special-needs military dependents under the Developmental Disabilities Act.²⁵⁴ As of October 2023, the Department of Health and Human Services' Division of Developmental Disabilities has yet to receive a request for prioritized funding as outlined in LB 685.²⁵⁵

²⁴³ Nebraska Revised Statute 85-2703. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=85-2703>

²⁴⁴ Nebraska Department of Veterans' Affairs. (2023). Available: <https://veterans.nebraska.gov/postsecondary>

²⁴⁵ LB 575. (March 21, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB575.pdf>

²⁴⁶ LB 96. (February 14, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB96.pdf>

²⁴⁷ Nebraska Revised Statute 81-12,147. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=81-12,147>

²⁴⁸ Nebraska Department of Economic Development. (2023). Email correspondence.

²⁴⁹ LB 901. (April 17, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB901.pdf>

²⁵⁰ Nebraska Department of Transportation. (2023). Available: <https://dot.nebraska.gov/aeronautics/towers-tall-structures/>

²⁵¹ Nebraska Department of Transportation. (October 11, 2023). Email correspondence.

²⁵² LB 682. (April 11, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB682.pdf>

²⁵³ Nebraska Revised Statute 55-701. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-701>

²⁵⁴ LB 685. (April 4, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB685.pdf>

²⁵⁵ Nicole Barrett, Nebraska Department of Health and Human Services. (October 11, 2023). Email correspondence.

LB 731 adopted the Physical Therapy Licensure Compact.²⁵⁶ Nebraska has enacted legislation and continues “issuing and accepting compact privileges.”²⁵⁷ In 2021, Nebraska issued 102 Physical Therapist and Physical Therapist Assistant compact privileges to individuals from other compact member states.²⁵⁸ Compact implementation by the Board of Physical Therapy is complete.

LB 1034 adopted the Emergency Medical Service Personnel Licensure Interstate Compact and the Psychology Interjurisdictional Compact (PSYPACT).²⁵⁹ Full implementation of the “Recognition of EMS Personnel Licensure Interstate Compact” or “REPLICA” occurred in March 2020.²⁶⁰ Initial reports indicate that Nebraska has asked for compact privileges for 22 Nebraska EMS providers. Nebraska has given compact privileges to two EMS providers in order for them to work in other states. It is unknown whether or not these 24 EMS providers are associated with the military. As of October 2022, while the overall number of compact privileges for Nebraska EMS providers is unknown, the number has increased and there is consensus that the Compact is beneficial.²⁶¹ As of October 2023, 62 Nebraska Licensed Psychologists are authorized to practice interjurisdictional telepsychology. For context there are 578 individuals who hold an active Nebraska Psychology license.²⁶²

2018 Regulatory Reform

In 2018, Governor Ricketts “approved revisions to Rule 21, allowing military spouses to receive a three-year teaching permit in Nebraska with a valid out-of-state license.”²⁶³ Given the passage of LB 389 in 2021 leading to Nebraska Revised Statute 79-813, Rule 21 is under revision by the Nebraska State Board of Education.²⁶⁴ Seven military teaching permits have been issued between September 1, 2022 and September 30, 2023.²⁶⁵

In March 2018, the Nebraska Supreme Court “instituted a rule that provides special consideration for attorneys who are military spouses seeking to join the Nebraska practicing bar.”²⁶⁶ The rule creates “Class 1-D” motion applicants at a reduced fee.²⁶⁷ As of October 2023, 6 Class 1-D applications have been successfully admitted to practice law in Nebraska.²⁶⁸

2017 Legislation

LB 88 amended state statutes “in order to allow military spouses to obtain a temporary license in a variety of professions if those spouses meet the comparable and equivalent requirements.”²⁶⁹ A temporary credential to a military spouse “shall be valid until the application for the regular credential is approved or rejected, not to exceed one year.”²⁷⁰ As of September 2022, six temporary nursing licenses had been issued under the military spouse

²⁵⁶ LB 731. (April 19, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB731.pdf>

²⁵⁷ Physical Therapy Compact Commission. (2023). Available: <http://ptcompact.org/>

²⁵⁸ Nebraska Department of Health and Human Services. (2023). Email correspondence.

²⁵⁹ LB 1034. (April 23, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB1034.pdf>

²⁶⁰ Nebraska Department of Health and Human Services. (2023). Available: <https://dhhs.ne.gov/Pages/EMS%20Compact.aspx>

²⁶¹ Nebraska Department of Health and Human Services. (October 21, 2022). Email correspondence.

²⁶² Nebraska Department of Health and Human Services. (October 11, 2023). Email correspondence.

²⁶³ Office of Governor Ricketts. (2018). Available: <https://governor.nebraska.gov/press/gov-ricketts-approves-teacher%E2%80%99s-license-flexibility-military-families>

²⁶⁴ Nebraska Department of Education. (2023). Military Teaching Permit. Available: <https://www.education.ne.gov/tcert/teaching-certificates/teaching-military-certificate/>

²⁶⁵ Nebraska Department of Education. (October 11, 2023). Email correspondence.

²⁶⁶ Nebraska Supreme Court. (2018). Available: <https://supremecourt.nebraska.gov/nebraska-supreme-court-rule-allows-reduced-fee-military-spouses-seeking-join-nebraska-bar>

²⁶⁷ Nebraska Supreme Court. (2018). Available: <https://supremecourt.nebraska.gov/supreme-court-rules/chapter-3-attorneys-practice-law/article-1-admission-requirements-practice-law/%C2%A7-3-119-application-admission-attorney/class-1-1-b-1-c-1-d-motion-applicants>

²⁶⁸ Nebraska Supreme Court Attorney Services Division. (October 11, 2023). Email correspondence.

²⁶⁹ LB 88, Introducer’s Statement of Intent. (February 15, 2017). Available at: <https://nebraskalegislature.gov/FloorDocs/105/PDF/SI/LB88.pdf>

²⁷⁰ LB 88. (April 25, 2017). Available: <http://www.nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB88.pdf>

temporary license provision since 2017. Additionally, as of September 2022, three temporary licenses for Cosmetology, one temporary license for Esthetician, one temporary license for Massage Therapy, three temporary licenses for Medical Radiography, one temporary license for Speech-Language Pathology, and one temporary license for a Veterinarian Technician have been issued under the military spouse provisions since 2017.²⁷¹

LB 639 expanded a hiring preference to spouses of active-duty service members while the active-duty service member is serving and up to 180 days after the active-duty service member is discharged or separates from service.²⁷² In addition to initial employment, the hiring preference is expanded to include “a return to employment” with any public government entity.²⁷³ As of September 2023, there is no clear methodology for measuring the impact of this legislation.

2016 Legislation

LB 754 created Nebraska’s Commission on Military and Veteran Affairs.²⁷⁴ As of October 2023, the Commission has met its statutory requirements pursuant to Nebraska Revised Statutes 55-601 to 55-606 and 48-203. The Commission also played a leading role in the U.S. Space Command Headquarters competition.

LB 919 established Veterans Treatment Courts.²⁷⁵ The Douglas County Veterans Treatment Court became operational in November of 2016, the Lancaster County Veterans Treatment Court became operational in April of 2017, and the Central Nebraska Veterans Treatment Court became operational in February 2021.²⁷⁶ As of October 2023, the Douglas County Veterans Treatment Court has had 148 entrants since inception of which 32 are current participants and 67 are graduates. The Lancaster Veterans Treatment Court has had 41 entrants since inception of which 6 are current participants and 26 were graduates. The Central Nebraska Veterans Treatment Court has had 19 entrants since inception of which 9 are current participants and 9 are graduates. The Central Nebraska Veterans Treatment Court is serving veterans in Hall, Buffalo, and Adams counties since November 2021.²⁷⁷ Initial evidence suggests that the program has been a resounding success.^{278 279}

2015 Legislation

LB 109 changed the residency requirements for veterans, spouses, and dependents attending a public college or university in Nebraska.²⁸⁰ As of September 2023, there is no clear methodology for measuring its impact.

LB 219 adopted the Uniform Deployed Parents Custody and Visitation Act which addresses issues of child custody faced by military families.²⁸¹ As of September 2023, there is no clear methodology for measuring its impact.

²⁷¹ Department of Health and Human Services. (September 20, 2022). Email correspondence.

²⁷² LB 639. (April 25, 2017). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB639.pdf>

²⁷³ LB 639. (April 25, 2017). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB639.pdf>

²⁷⁴ LB 754. (April 18, 2016). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB754.pdf>

²⁷⁵ LB 919. (April 18, 2016). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB919.pdf>

²⁷⁶ State of Nebraska Judicial Branch, Office of Probation Administration. (October 12, 2023). Research request.

²⁷⁷ Grand Island Independent, “Problem-solving court in Hall, Buffalo, Adams counties aimed at helping veterans.” (November 16, 2021). Available: https://theindependent.com/news/local/problem-solving-court-in-hall-buffalo-adams-counties-aimed-at-helping-veterans/article_6675b766-46d6-11ec-861b-9745884914f3.html

²⁷⁸ Cornhusker Economics, “The Impact of Veterans Treatment Courts on the Community.” (December 4, 2019). Available: <https://agecon.unl.edu/cornhusker-economics/2019/impact-veterans-treatment-courts-community>

²⁷⁹ Grand Island Independent, “Central Nebraska Veterans Court program gets veterans’ lives back on track” (June 1, 2022). Available: https://theindependent.com/news/local/central-nebraska-veterans-court-program-gets-veterans-lives-back-on-track/article_7b43ed1c-e13f-11ec-8f75-6702c957d39b.html

²⁸⁰ LB 109. (February 26, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB109.pdf>

²⁸¹ LB 219. (February 26, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB219.pdf>

LB 264²⁸² created the requirement that boards or the licensing department accept relevant military training and education. As noted in Transitioning Military & Military Spouse Occupational Licensure Study authorized by Legislative Resolution 436, “DHHS indicated that during 2017, no applicants had military training, education, or experience applied toward their licensure requirements and that no applicant had requested this.”²⁸³ While there is no clear methodology for measuring the number of applicants benefiting from LB 264, the provisions of LB 264 are posted on the DHHS licensure website.²⁸⁴

LB 272²⁸⁵ created a voluntary veteran preference for private sector employers pursuant to Nebraska Revised Statute 48-238.²⁸⁶ As of September 2023, two employers have registered with the Nebraska Department of Labor.²⁸⁷

2014 Legislation

LB 987 created a partial exemption to military retirement benefits from Nebraska taxable income.²⁸⁸ The Nebraska Department of Revenue data for tax year 2021 indicates 732 returns leading to \$13,649,873 of deducted income using the partial exemption via the Form 1040N-MIL. While this is the amount deducted and not the amount of lost tax revenue, one can estimate the impact to the General Fund. Presuming that all of the filers were in the top state income tax bracket of 6.84%, the maximum impact to the general fund would equal 6.84% of the total amount deducted. For 2021, this preliminary impact would equal \$933,651. For tax year 2020, 728 returns filed the Form 1040N-MIL leading to \$13,222,413 of deducted income. For tax year 2019, 667 returns filed the Form 1040N-MIL leading to \$11,611,345 of deducted income. For tax year 2018, 547 returns filed the Form 1040N-MIL leading to \$9,571,708 of deducted income. For tax year 2017, 466 returns filed the Form 1040N-MIL leading to \$7,698,543 of deducted income. For tax year 2016, 336 returns filed the Form 1040N-MIL leading to \$5,467,797 of deducted income. For tax year 2015, 191 returns filed the Form 1040N-MIL leading to \$3,036,953 of deducted income. Again, presuming that all of the filers were in the top state income tax bracket of 6.84%, the impact to the general fund would equal \$904,413, \$794,216, \$654,705, \$526,580, \$373,997, and \$207,728 for tax years 2020, 2019, 2018, 2017, 2016, and 2015 respectively.²⁸⁹ Of note, LB 387, signed into law in 2021, provides for a 100% exemption of taxable income resulting from military retirement benefits for taxable years on or after January 1, 2022.

2013 Legislation

LB 224²⁹⁰ created a preference for awarding state contracts to resident disabled veterans if all other factors are equal pursuant to Nebraska Revised Statute 73-107.²⁹¹ As of September 2023, there is no clear methodology for measuring the impact of this state contract preference.

2011 Legislation

²⁸² LB 264. (May 13, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB264.pdf>

²⁸³ LR 436, Transitioning Military & Military Spouse Occupational Licensure Study. (2018). Available:

<https://veterans.nebraska.gov/sites/veterans.nebraska.gov/files/doc/9.%202018%2010%2023%20-%20LR%20436%20Report%20-%20FINAL.pdf>

²⁸⁴ Nebraska DHHS Licensure Unit Services for the Military. (2023). Available: <http://dhhs.ne.gov/licensure/Documents/VeteransInfoBrochure.pdf>

²⁸⁵ LB 272. (March 12, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB272.pdf>

²⁸⁶ Nebraska Revised Statute 48-238. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=48-238>

²⁸⁷ Nebraska Department of Labor, Veterans Preference Employer Registry. (September 2023). Available:

<https://www.dol.nebraska.gov/LaborStandards/VeteransPreference/EmployerRegistry>

²⁸⁸ LB 987. (April 2, 2014). Available: <https://nebraskalegislature.gov/FloorDocs/103/PDF/Slip/LB987.pdf>

²⁸⁹ Nebraska Department of Revenue. (2023). Email correspondence.

²⁹⁰ LB 224. (June 5, 2013). Available: <https://nebraskalegislature.gov/FloorDocs/103/PDF/Slip/LB224.pdf>

²⁹¹ Nebraska Revised Statute 73-107. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=73-107>

LB 575 enacted the Interstate Compact on Educational Opportunity for Military Children which took effect on July 1st, 2012.²⁹² The Compact provides for the uniform treatment of military children transferring between school districts and states. The purpose of the Compact is to remove barriers to educational success (such as enrollment, placement, and graduation) imposed on children of military families due to frequent moves and deployment of their parents. The Compact also established the State Council on Educational Opportunity for Military Children which meets annually. The State Council advises the Nebraska Department of Education regarding the state’s participation and compliance with the Compact.²⁹³ Of note, the 2008 BRAC Task Force specifically encouraged the state to “explore the idea of joining the Compact.”²⁹⁴ As of January 2015, all 50 states and the District of Columbia have adopted the Compact. As of August 2023, the State Council had been an effective tool to support military personnel and families serving in Nebraska.

2010 Legislation

LB 279²⁹⁵ amended Nebraska Revised Statutes 14-407,²⁹⁶ 15-1103,²⁹⁷ and 19-923²⁹⁸ to require the notification of military installations regarding development of real property. While there is no clear methodology for measuring the impact of this legislation, the Commission has not been informed of nor asked to address any military installation encroachment issues as of August 2023.

²⁹² LB 575. (May 16, 2011). Available: <https://nebraskalegislature.gov/FloorDocs/102/PDF/Slip/LB575.pdf>

²⁹³ Nebraska Department of Education, State Council on Educational Opportunity for Military Children. (2023). Available:

<https://www.education.ne.gov/commissioner/state-council-on-educational-opportunity-for-military-children/>

²⁹⁴ Nebraska Base Realignment and Closure (BRAC) Task Force. (2008). Available: <http://govdocs.nebraska.gov/epubs/L3745/B036-2008.pdf>

²⁹⁵ LB 279. (February 11, 2010). Available: <https://nebraskalegislature.gov/FloorDocs/101/PDF/Slip/LB279.pdf>

²⁹⁶ Nebraska Revised Statute 14-407. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=14-407>

²⁹⁷ Nebraska Revised Statute 15-1103. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=15-1103>

²⁹⁸ Nebraska Revised Statute 19-923. (2023). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=19-923>

Appendix A. About the University of Nebraska-Lincoln Bureau of Business Research

The Bureau of Business Research

The Bureau of Business Research is a leading source for analysis and information on the Nebraska economy. The Bureau conducts both contract and sponsored research on the economy of Nebraska and its communities including: 1) economic and fiscal impact analysis; 2) models of the structure and comparative advantage of the current economy; 3) economic, fiscal, and demographic outlooks, and 4) assessments of how economic policy affects industry, labor markets, infrastructure, and the standard of living. The Bureau also competes for research funding from federal government agencies and private foundations from around the nation and contributes to the academic mission of the University of Nebraska-Lincoln through scholarly publication and the education of students.

Key Personnel

Dr. Eric Thompson

Dr. Eric Thompson is the Director of the Bureau of Business Research and an Associate Professor of Economics at the University of Nebraska-Lincoln. Dr. Thompson has conducted a broad group of economic impact studies including impact studies of Nebraska agriculture, Sandhill Cranes migration, the Nebraska child care industry, the Omaha Zoo, the Nebraska horseracing industry, Husker Harvest Days, and the UNL Athletic Department. Dr. Thompson also works on demographic projections and analyses of economic development programs for Nebraska and cities in Nebraska. He also has conducted numerous economic impact studies for the Lincoln Department of Economic Development, the Omaha Chamber of Commerce, the Nebraska Department of Economic Development, various Nebraska industries, and Nebraska tourism attractions. Dr. Thompson's research has received support from the United States Department of Labor, the Robert Wood Johnson Foundation, the Center for Economic Analysis, the Nebraska Health and Human Services System, as well as Lincoln, Omaha, and Nebraska organizations and agencies. In his previous employment, Dr. Thompson served as the Director of the Center for Business and Economic Research and a Research Associate Professor of Economics at the University of Kentucky. Dr. Thompson received his Ph.D. in agricultural economics from the University of Wisconsin-Madison in 1992. His research fields include regional economics, economic forecasting, and state and local economic development. His research has been published in *Regional Science and Urban Economics*, the *Journal of Regional Science*, the *American Journal of Agricultural Economics*, and the *Journal of Cultural Economics*.

Dr. Mitchel Herian

Dr. Mitchel Herian serves as a Project Director through the Bureau of Business Research, a faculty fellow at the University of Nebraska Public Policy Center, and an adjunct professor in the Political Science department at UNL. Dr. Herian has worked for agencies such as the U.S. Army, the U.S. Air Force, the National Aeronautics and Space Administration (NASA), the Nebraska Supreme Court, the Nebraska Department of Education, and the Kansas Department of Corrections. His research has received support from agencies including the National Science Foundation and the National Institute of Justice. Dr. Herian's research has been published in a variety of peer reviewed journals including the *Journal of Public Administration Research and Theory*, *American Review of Public Administration*, *Policy Studies Journal*, *State and Local Government Review*, and *Ecology & Society*.

Mr. Phillip O'Donnell

Mr. Phillip O'Donnell serves as the first Military Affairs Liaison for the State of Nebraska's Commission on Military and Veteran Affairs. Mr. O'Donnell graduated with merit from the U.S. Naval Academy before serving as a surface warfare officer in the U.S. Navy with engineering, operations, and intelligence assignments in Japan, Bahrain, and Washington DC. After completing his active-duty service, Mr. O'Donnell earned a Master of Arts degree in International Relations and International Economics from the Johns Hopkins University's School of Advanced International Studies (SAIS) and a Master of Business Administration degree from the University of Nebraska-Lincoln. Mr. O'Donnell has worked for both large and small consulting firms in the defense industry and continues to serve in the Navy Reserve in support of the North Atlantic Treaty Organization.

