



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

The Economic Impact of Nebraska Military Assets: An Update for Fiscal Year 2021

Prepared for the Nebraska Commission on Military and Veteran Affairs

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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 2021 accounted for \$2.5 billion in economic output, \$1.4 billion in employee compensation, and 24,176 jobs generated in Nebraska. These numbers are largely consistent with analyses conducted for FY 2020.
- Retirement and pension spending by Department of Defense (DoD) military retirees in Nebraska in FY 2021 generated 2,684 new jobs in Nebraska (in addition to the 24,176 noted above), resulting in \$128.6 million in compensation to these employees. These numbers are similar to previous years' economic impact estimates.
- Estimates show that VA spending in FY 2021 resulted in \$2.2 billion in economic output and the employment of 16,363 workers with a total salary of \$871.4 million. The economic output numbers and employment numbers are slightly lower than estimates produced for FY 2020.
- Army Corps of Engineers spending in FY 2021 resulted in \$144.0 million in economic output, 1,228 jobs, and \$87.5 million in employee compensation. These estimates are similar to FY 2020 but slightly lower than estimates produced for FY 2019.
- GI Bill spending in the state in FY 2021 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.

Table 1. The Annual Economic Impact on Military Bases, Military Retirement System Payments and Veterans Affairs Spending on the State of Nebraska, FY 2021

Source of Impact	Output (Million \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Military Bases	\$2,471.0	\$1,392.4	24,176
Military Retirement System Payments	\$413.6	\$128.6	2,683
Veterans Affairs Spending	\$2,149.0	\$871.4	16,363
Army Corps of Engineers	\$144.0	\$87.5	1,228
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 2021 San Diego Economic Impact Report.² State examples from South Carolina,³ Missouri,⁴ Ohio,⁵ and Florida⁶ offer context for the depth and breadth of military spending around the country. According to the U.S. Department of Defense, Office of Local Defense Community Cooperation⁷ in its Defense Spending by State Fiscal Year 2021 report, defense spending in Nebraska contributed 1.1% of state GDP in FY 2021.⁸

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

From 2017 to 2021 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, and FY 2020. The current report builds upon the body of work created through the 2017,⁹ 2018,¹⁰

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." (2021). Available: https://www.sdmac.org/media/uploads/2021_sdmac_report_final_web.pdf

³ "The 2022 Economic Impact of South Carolina's Military Community." (2022). Available: <https://scdva.sc.gov/sites/scdva/files/Documents/Economic%20Impact%20Final%20June%202022.pdf>

⁴ Office of the Missouri Military Advocate, "An Analysis of Department of Defense Contract Awards in Missouri FY2015-FY2019." (March 2021). Available: https://military.ded.mo.gov/sites/military/files/Economic%20Impacts%20of%20DoD%20Contractor%20Awards%20in%20Missouri_May%202021_final.pdf

⁵ Jobs Ohio, Military and Federal Factbook 2021. (October 2021). Available: https://www.jobsohio.com/wp-content/uploads/2021/10/Ohio-FactBook_Spreads_2021-10-11-RBH.pdf

⁶ Enterprise Florida, Florida Defense Factbook. (January 2020). Available: <https://www.enterpriseflorida.com/wp-content/uploads/Florida-Defense-Factbook-2020.pdf>

⁷ Of note, the FY 2021 National Defense Authorization Act changed the Office of Economic Adjustment to the Office of Local Defense Community Cooperation.

⁸ U.S. Department of Defense, Office of Local Defense Community Cooperation, "Defense Spending by State Fiscal Year 2021." (October 2022). Available: https://oldcc.gov/sites/default/files/OLDCC_DSBS_FY2021_FINAL_WEB.pdf

⁹ 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

¹⁰ 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

2019,¹¹ 2020,^{12,13} and 2021^{14,15} 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.¹⁶

2022 Commission Recommendations

For 2022, the Commission on Military and Veteran Affairs continues to put forth six 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. For 2022, the Commission has made changes to recommendation 1. The six recommendations, as well as any subsequent progress toward implementing each recommendation, are presented below.

1. Recommend the state adjusts operations and maintenance funding to at least the annual inflation rate.

The recommendation for the state to adjust operations and maintenance funding to at least the annual inflation rate is new. This recommendation replaces 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 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.

¹¹ 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

¹² 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

¹³ 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>

¹⁴ 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

¹⁵ 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>

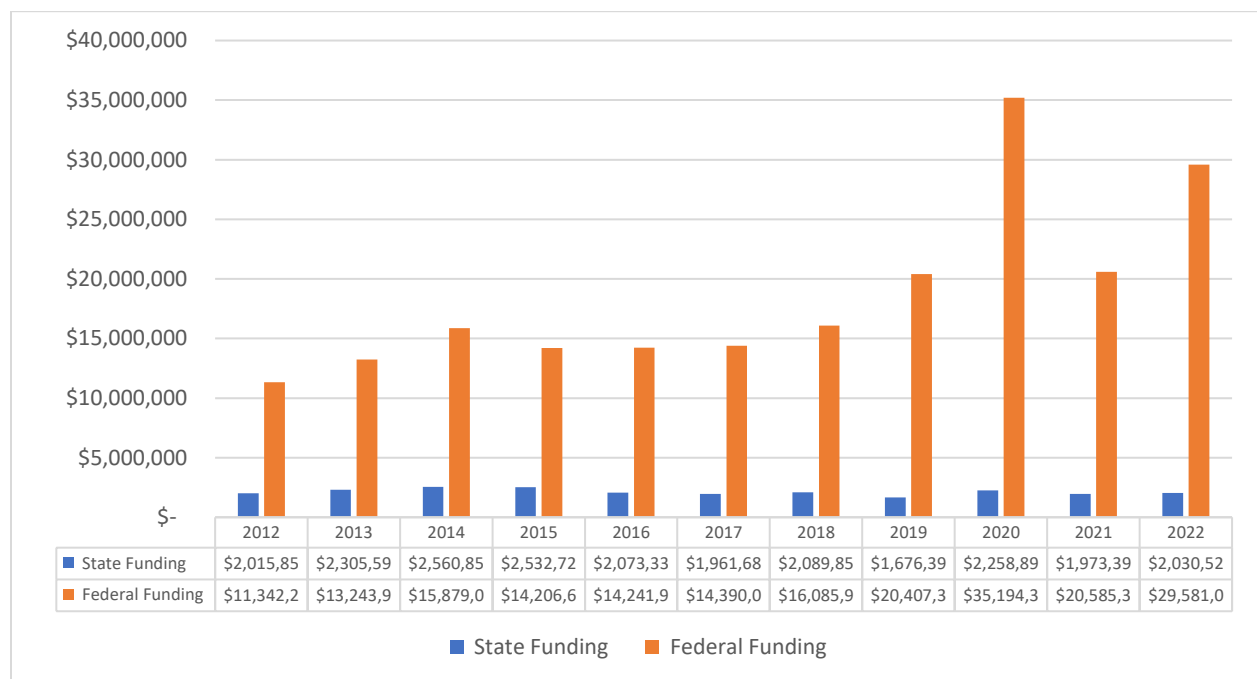
¹⁶ Nebraska Base Realignment and Closure (BRAC) Task Force, Report. (December 2008). Available:

<http://govdocs.nebraska.gov/epubs/L3745/B036-2008.pdf>

After thorough evaluation of economic trends and future growth consideration, NENG recommends the State of Nebraska adjust the operations and maintenance funding to keep pace with the national inflation rate. 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, 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 2012 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 (in millions)



As published by the United States Bureau of Labor Statistics, inflation rates are at an all-time high resting currently at roughly six 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 two years ago when inflation was nearly two percent. Understanding that inflation is an ever-changing variable, NENG is recommending that the State respond according to the current economic climate during times of fund allocation.

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 2 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.

Table 2. Total State and Federal Funding to Nebraska Army National Guard					
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%

Nebraska Air National Guard

The funding the Nebraska Air National Guard (NEANG) receives from DoD is 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 provide 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 Table 3 below, there has been a slow return to normal funding levels on the State side; over the same time federal funding frequently fluctuated. However, 2022 saw a sharp

increase in funding for NEANG. This can be attributed to the larger conversations taking place at the National Guard Bureau to encourage increased modernization and mission readiness across all 54 states and territories.

Table 3. Total State and Federal Funding to Nebraska Air National Guard							
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%

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 (October 25, 2022 Groundbreaking Ceremony¹⁷)

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

Camp Ashland Training Site (ribbon cutting November/December 2022)

- \$35M from military construction

North Platte Vehicle Maintenance Shop (October 28, 2022 ribbon cutting¹⁸)

- \$9.3M from military construction

¹⁷ Omaha World Herald, "National Guard breaks ground on new \$36 million facility near Offutt." (October 25, 2022). Available: https://omaha.com/news/state-and-regional/article_d2f01364-53f0-11ed-bf9f-bbc3831ce797.html

¹⁸ The North Platte Telegraph, "National Guard celebrates opening of new facility." (October 28, 2022). Available: https://nptelegraph.com/news/national-guard-celebrates-opening-of-new-facility/article_752336c4-5708-11ed-8293-47fb854051cf.html

Mead Barracks (initial design in progress)

- \$11M in military construction funding

Fuel Cell Hangar Modernization (initial design complete)

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

Main Hangar Renovation (construction complete)

- \$18.6M in Sustainment, Modernization, and Maintenance Funds from National Guard Bureau

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 allow funding levels to NENG to remain consistent with current economic fluctuations and reflect the needs of the NENG is a thoughtful request that can provide NENG the 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.¹⁹ 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.²⁰ After a multi-year

¹⁹ LB 957, Section 21. (March 30, 2016). Available: <http://www.nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB957.pdf>

²⁰ Nebraska Legislative Fiscal Office, A Legislator's Guide to Nebraska State Agencies. (December 2016). Available: <http://www.nebraskalegislature.gov/pdf/reports/fiscal/2016legguide.pdf>

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.²¹ 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.²²

As of October 2022, the Levee sections protecting Offutt AFB and the City of Omaha's Papillion Creek Wastewater Treatment Plant are completed and provide enhanced 100 year and above flood protection. The BNSF track permanent closure structure will be completed by December 2022 and thus the project will be fully completed by the end of this year. The NRD is still working with Offutt AFB and the Department of Defense on formulating an Inter-local agreement for the NRD to operate and maintain storm water systems on the base in order to assist the base to properly manage their storm water controls so all of their security systems work appropriately during rain events. The FEMA floodplain map has not yet been revised. It is anticipated that draft FEMA maps will be released later this fall still showing the levees as effective and certified. The NRD will complete and submit the required information to FEMA within the current schedule and final floodplain maps will be official in 2024. 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 a number of antiquated stormwater culverts along the Papillion Creek. The Papio NRD is in constant communication with Offutt AFB, the Air Force and the Pentagon on the status of the rehabilitation of the levee system; providing consistent updates to our military partners.²³

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

²¹ Nebraska Department of Natural Resources. (October 14, 2020). Email correspondence.

²² Nebraska Department of Natural Resources. (October 18, 2022). Phone call.

²³ Papio-Missouri River Natural Resources District. (October 18, 2022). Email correspondence.

community infrastructure, supportive of a military installation, in order to enhance value, installation resilience, and military family quality of life.”²⁴ Of note, “On September 23, 2022, the Department of Defense announced the award of 19 grants totaling approximately \$90 million under the Defense Community Infrastructure Pilot Program by the Office of Local Defense Community Cooperation.”²⁵ Additionally, the Office of Local Defense Community Cooperation has incorporated its “Compatible Use/Joint Land Use Study program” into a “Military Installation Sustainability” program for FY 2023.²⁶ State leaders should continue to monitor military installation sustainability 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 2015.²⁷

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.²⁸ Senator 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.”²⁹ 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

²⁴ DoD Office of Local Defense Community Cooperation. (2022). Available: <https://oldcc.gov/defense-community-infrastructure-program-dcip>

²⁵ DoD Office of Local Defense Community Cooperation, Fiscal Year 2022 Grant Awardees. (September 23, 2022). Available: <https://oldcc.gov/defense-community-infrastructure-program-dcip#block2>

²⁶ DoD Office of Local Defense Community Cooperation. (2022). Available: <https://oldcc.gov/our-programs/military-installation-sustainability>

²⁷ DoD Office of Local Defense Community Cooperation. (2022). Available: <https://oldcc.gov/sites/default/files/mis-studies/Offutt%20Air%20Force%20Base.pdf>

²⁸ LB 279. (February 11, 2010). Available: <http://nebraskalegislature.gov/FloorDocs/101/PDF/Slip/LB279.pdf>

²⁹ LB 279, Introducer’s Statement of Intent. (February 12, 2009). Available: <http://nebraskalegislature.gov/FloorDocs/101/PDF/SI/LB279.pdf>

its consideration and action.”³⁰ 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.³¹ 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 901.³² As of September 2022, there have been no reported issues regarding encroachment at Nebraska National Guard flight training areas.³³

The State of Nebraska may need to continue to review and address encroachment issues related to the military in the future. In October 2019, Department of Defense and Air Force officials asked the North Dakota lawmakers and regulatory officials to “consider new rules aimed at preventing conflicts between wind turbines and helicopters that provide security at launch facilities” and missile alert facilities in nuclear missile fields.³⁴ The 90th Missile Wing based at Francis E. Warren AFB, Wyoming, deploys Minuteman III missiles in western Nebraska.³⁵ The Department of Defense is advocating for the modernization of the nuclear deterrent capability to “ensure that the United States has a safe, secure, reliable, and effective nuclear deterrent—now and in the future.”³⁶ Looking to the future, it is likely that there could be significant DoD investment in Nebraska’s panhandle if or when the Minuteman III missiles in western Nebraska are replaced by a new ground-based strategic deterrent capability. In September 2020, the Department of the Air Force awarded a contract for the “Ground Based Strategic Deterrent (GBSD) intercontinental ballistic missile

³⁰ Nebraska Revised Statute 15-1103. Available: <http://nebraskalegislature.gov/laws/statutes.php?statute=15-1103>

³¹ LB 901. (April 17, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB96.pdf>

³² Nebraska Department of Transportation. (2022). Available: <https://dot.nebraska.gov/aeronautics/towers-tall-structures/>

³³ Nebraska Department of Transportation, Dave Lehnert. (September 28, 2022). Email correspondence.

³⁴ Associated Press. “Military wants more rules for turbines near nuclear missiles.” (October 2019). Available: <https://www.airforcetimes.com/news/your-air-force/2019/10/29/military-wants-more-rules-for-turbines-near-nuclear-missiles/>

³⁵ 90th Missile Wing Fact Sheet. (2022). Available: <https://www.warren.af.mil/About-Us/Fact-Sheets/Display/Article/331275/90th-missile-wing/>

³⁶ Senate Armed Services Testimony, Ellen M. Lord, Undersecretary of Defense for Acquisition and Sustainment, Admiral Charles Richard, Commander U.S. Strategic Command. (September 17, 2020). Available: https://www.armed-services.senate.gov/imo/media/doc/Lord--Richard_09-17-20.pdf

(ICBM) program to Northrop Grumman.³⁷ Work in a Launch Control Center has been described “like working in a Cold War Museum” 80 feet below ground.³⁸ In September 2022, there have been reports of changes in Air Force policy increasing the distance wind turbines need to be away from missile silos impacting Banner County.³⁹

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”⁴⁰ 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.⁴¹ 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.”⁴² As of October 2022, Bellevue University, Creighton University, the University of Nebraska-Lincoln, the University of Nebraska-Kearney, and the University of Nebraska-Omaha continue to participate in DA3.⁴³

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 development capabilities for the Department of Defense.⁴⁴ 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.”⁴⁵ 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.”⁴⁶ In September 2021, NSRI expanded its partnership with UNL’s Institute of Agriculture and Natural Resources by opening the Collaborative Biosecurity Laboratory “to

³⁷ Secretary of the Air Force, press release, “Department of the Air Force awards contract for new ICBM system that enhances, strengthens US triad.” (September 8, 2020). Available: <https://www.af.mil/News/Article-Display/Article/2340139/departments-of-the-air-force-awards-contract-for-new-icbm-system-that-enhances-s/>

³⁸ 90th Missile Wing Public Affairs, “Life and work: 80 feet below ground.” (December 3, 2021). Available: <https://www.warren.af.mil/News/Features/Article/2861487/life-and-work-80-feet-below-ground/fbclid/IwAR2xwGLbr5JJ5AKPSro5oyRq8hpK6iTnIMD39HsRBfW2rvukKnSwkNlcSCs/>

³⁹ Natalia Alamdari, “It was set to be Nebraska’s largest wind project. Then the military stepped in.” (September 16, 2022). Available: <https://flatwaterfreepress.org/it-was-set-to-be-nebraskas-largest-wind-project-then-the-military-stepped-in/>

⁴⁰ Nebraska Base Realignment and Closure (BRAC) Task Force, Report. (2008). Available: <http://govdocs.nebraska.gov/epubs/L3745/B036-2008.pdf>

⁴¹ National Security Studies program, University of Nebraska-Lincoln. (2022). Available: <https://nationalsecurity.unl.edu/>

⁴² USSTRATCOM Deterrence and Assurance Academic Alliance purpose. (2022). Available: <http://www.stratcom.mil/Academic-Alliance/>

⁴³ USSTRATCOM Deterrence and Assurance Academic Alliance members. (2022). Available: <http://www.stratcom.mil/Academic-Alliance/Members/>

⁴⁴ National Strategic Research Institute at the University of Nebraska. (2022). Available: <https://nsri.nebraska.edu/>

⁴⁵ 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](https://nsri.nebraska.edu/news/news-releases/2020/09/new-$92-million-contract-will-expand-university-of-nebraska-national-defense-research)

⁴⁶ 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>

pursue ag defense research.”⁴⁷ In March 2022, NSRI released its Impact Synopsis⁴⁸ 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.⁴⁹

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.”⁵⁰ 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.”⁵¹ In May 2021, UNMC/Nebraska Medicine was selected as “a key pilot site” for Project NExT.⁵²

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.”⁵³

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.”⁵⁴ 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.

In 2022, 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

⁴⁷ Nebraska Today. (September 27, 2021). Available: <https://news.unl.edu/newsrooms/today/article/collaborative-biosecurity-laboratory-opens-to-pursue-ag-defense-research/>

⁴⁸ 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>

⁴⁹ 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>

⁵⁰ University of Nebraska Medical Center, “Governor signs bill supporting NExT Project.” (August 21, 2020). Available: <https://www.unmc.edu/news.cfm?match=26096>

⁵¹ University of Nebraska Medical Center, NExT: A Nebraska Transformational Project. (2022). Available: <https://www.unmc.edu/next/>

⁵² Congressman Don Bacon, press release. (May 5, 2021). Available: <https://bacon.house.gov/news/documentsingle.aspx?DocumentID=646>

⁵³ University of Nebraska Omaha, NCITE Annual Report 2020-2021. (2022). Available: https://issuu.com/uno-publications/docs/0547-rpt_cba_ncite_annual_report_issuu?fr=sODg1NDMwNjc4MTg

⁵⁴ 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/>

future basing or mission alternatives.”⁵⁵ 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.”⁵⁶ Those responsible for legislation and regulatory reform should carefully consider this guidance.

6. Provide tax relief to retired military personnel to encourage military retirees to live and work in Nebraska.

On May 25, 2021 Governor Ricketts approved LB 387 which increased the exemption of military retirement pay from state income taxation. Specifically, LB 387 excludes one hundred percent of military retirement benefit income for taxable years beginning on or after January 1, 2022.⁵⁷ LB 387 built upon the passage of LB 153 in 2020.⁵⁸

Nebraska continues to provide partial tax relief to retired military personnel through the current exemption options from the passage of LB 987 from 2014. Through tax year 2021, a Nebraskan can elect to exclude military retirement benefits from Nebraska taxable income through two options. Option 1 provides exemptions for 40% of military retirement benefit income for seven consecutive years beginning with the year in which the election is made. Option 2 provides exemptions for 15% of military retirement benefit income for all taxable years beginning with the year in which the retiree turns 67 years of age.⁵⁹

The Nebraska Department of Revenue preliminary data for tax year 2021 indicates 711 returns leading to \$13,253,770 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 \$906,558. 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.⁶⁰

⁵⁵ 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>

⁵⁶ Defense State Liaison Office. (2022). Available: <https://statepolicy.militaryonesource.mil/>

⁵⁷ LB 387. (May 25, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB387.pdf>

⁵⁸ LB 153. (August 17, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB153.pdf>

⁵⁹ Nebraska Revised Statute 77-2716. (September 2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=77-2716>

⁶⁰ Nebraska Department of Revenue. (2022). Email correspondence.

In total, the impact to the general fund for the seven years of the partial exemption policy appears to be \$4,368,197 (assuming the highest tax bracket, and recognizing that the 2021 tax year is not complete). The estimated fiscal impact to the general fund for the first four years of the partial exemption policy was \$3,818,000.⁶¹ Additional research and analysis would be required to discern exactly how and why the estimated four-year fiscal impact was higher than the actual six-year impact of \$3,461,639 and lower than the preliminary seven-year impact of \$4,368,197 (assuming the highest tax bracket, and recognizing that the 2020 tax year is now complete for the six-year total but the 2021 tax year is not complete for the seven-year total). One possible explanation could have been limited awareness of the partial exemption once it was implemented. Another possible explanation could be the complexity associated with the tax treatment of compensation from the U.S. Department of Veterans Affairs and the offsets associated with military retirement pay from the Department of Defense.⁶² Military retired pay is often considered taxable income while “disability benefits from the VA should not be included in your gross income” and thus not necessarily considered taxable income.⁶³ Given potential “VA offsets,” it is possible that the fiscal note for LB 387 overestimates the fiscal impact of LB 387. For additional information regarding “VA offsets” see the “Concurrent Receipt of Military Retirement and VA Disability” IN FOCUS report published by the Congressional Research Service.⁶⁴ For additional insight regarding the military retirement system, see the “Statistical Report on the Military Retirement System”⁶⁵ and the “Congressional District Reports”⁶⁶ the published by the DoD’s Office of the Actuary.

Recent Congressional Actions

As of October 15, 2022, the James M. Inhofe National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2023 has yet to pass the full Senate. U.S. Senator Deb Fischer⁶⁷ and Congressman Don Bacon⁶⁸ 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 has drawn attention to potential encroachment issues with substantial national security implications.⁶⁹

In 2022, the Department of Defense did not request Base Realignment and Closure (BRAC) authority from Congress for Fiscal Year 2023 and Congress has not included the authority in the FY 2023 NDAA. As

⁶¹ LB 987, Fiscal Note Revision 2. (March 20, 2014). Available: https://nebraskalegislature.gov/FloorDocs/103/PDF/FN/LB987_20140321-135055.pdf

⁶² Congressional Research Service, “Concurrent Receipt of Military Retired Pay and Veteran Disability: Background and Issues for Congress.” (March 25, 2020). Available: <https://crsreports.congress.gov/product/pdf/R/R40589/20>

⁶³ Internal Revenue Service, Information for Veterans. (2022). Available: <https://www.irs.gov/individuals/information-for-veterans#:~:text=Disability%20benefits%20received%20from%20the,to%20Veterans%20or%20their%20families%2C&text=Benefits%20under%20a%20dependent%20care%20assistance%20program>

⁶⁴ Congressional Research Service, “Concurrent Receipt of Military Retired Pay and VA Disability.” (August 11, 2020). Available: <https://crsreports.congress.gov/product/pdf/IF/IF10594/5>

⁶⁵ DoD Office of the Actuary, “Statistical Report on the Military Retirement System.” (September 2022). Available: <https://actuary.defense.gov/Portals/15/MRS%20StatRpt%202021%20v999.pdf?ver=7Hbl6i-hNc1PVL4T3rtyxA%3d%3d>

⁶⁶ DoD Office of the Actuary, “Congressional District Reports” (December 2021). Available: <https://actuary.defense.gov/Portals/15/CONGDIST%202021%20v999.pdf?ver=jhNZL6GiBXizvaqi6w3FeA%3d%3d>

⁶⁷ U.S. Senator Deb Fischer. (June 16, 2022). Available: <https://www.fischer.senate.gov/public/index.cfm/2022/6/fischer-supports-senate-armed-services-committee-fy23-defense-bill>

⁶⁸ U.S. Congressman Don Bacon. (October 6, 2022). Available: <https://bacon.house.gov/news/email/show.aspx?ID=E7SFI3HU5F5F4>

⁶⁹ U.S. Congressman Mike Flood. (September 12, 2022). Available: <https://flood.house.gov/sites/evo-subsites/flood.house.gov/files/evo-media-document/Huawei%20Letter%20to%20Commerce.pdf>

of October 15, 2022, the federal government is operating under a continuing resolution that expires December 16, 2022.

The final selection criteria for the 2005 round of base closures and realignments can be found in Title 10 United States Code § 2687.⁷⁰ Policy makers and stakeholders should review the 2017, 2018, 2019, and 2020 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 2019.⁷¹

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 15, 2021, 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 PLANning⁷²) 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 Statute 55-605.⁷³ The Commission on Military and Veteran Affairs is tasked to prepare an annual report pursuant to Nebraska Revised Statute 55-606.⁷⁴

⁷⁰ United State Code Title 10, Subtitle A, Part IV, Chapter 159, § 2687. (2022). Available:

<http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title10-section2687&num=0&edition=prelim>

⁷¹ 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>

⁷² IMPLAN, Impact Analysis for Planning. (2022). Available: <http://implan.com/>

⁷³ Nebraska Revised Statute 55-605. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-605>

⁷⁴ Nebraska Revised Statute 55-606. (2022). 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 May 2022, 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 nearly 10,000 military, civilian and contractor staff, with a total payroll of over \$895 million and an additional \$506 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.⁷⁵

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 attacks against the U.S. and its partners. The command coordinates with other combatant commands and governmental agencies that provide national security. According to the Command Snap Shot, 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.⁷⁶ 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.⁷⁷

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 redesignated 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.⁷⁸

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"⁷⁹ was activated in October 2016.⁸⁰ 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."⁸¹

⁷⁵ Nebraska Revised Statute 55-601. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-601>

⁷⁶ U.S. Strategic Command, Command Snap Shot. (October 2022). Available: <https://www.stratcom.mil/About/Command-Snapshot/>

⁷⁷ Nebraska Revised Statute 55-601. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-601>

⁷⁸ Nebraska Revised Statute 55-601. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-601>

⁷⁹ 595th Command and Control Group. (2022). Available: <https://www.8af.af.mil/Units/595th-Command-and-Control-Group/>

⁸⁰ 55th Wing Public Affairs. (2016). Available: <https://www.acc.af.mil/News/Article-Display/Article/965021/595th-command-and-control-group-activates-at-offutt/>

⁸¹ 595th Command and Control Group. (2022). 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.⁸² 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.⁸³

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.⁸⁴ 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.⁸⁵ 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."⁸⁶ The U.S. Air Force Heartland of America Band, a 15-member unit, has been assigned to Offutt AFB since 1948.⁸⁷ 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 2021*.⁸⁸ 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 8,749 individuals in FY 2021. The majority of these employees (6,401) 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).

⁸² 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/>

⁸³ 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/>

⁸⁴ 343rd Recruiting Squadron. (2022). Available: <https://www.recruiting.af.mil/About-Us/Fact-Sheets/Display/Article/714509/343rd-recruiting-squadron/>

⁸⁵ 20th Intelligence Squadron. (2022). Available: <https://www.afhra.af.mil/About-Us/Fact-Sheets/Display/Article/862205/20-intelligence-squadron-acc/>

⁸⁶ 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/>

⁸⁷ USAF Heartland of America Band. (2022). Available: <https://www.music.af.mil/Bands/US-Air-Force-Heartland-of-America-Band/About-Us/>

⁸⁸ Offutt Air Force Base Economic Impact Statement 2021. (2022). Available: <https://www.offutt.af.mil/Portals/97/FY21%20Economic%20Impact%20Trifold.pdf>

Table 4. Offutt AFB and USSTRATCOM Military and Civilian Personnel FY 2021	
Active-Duty Air Force	5,868
Active Duty Army, Navy, Marines	533*
Total Nebraska-Based Military	6,401
Appropriated Fund Civilians	2,348
Total	8,749
*This number may include some Reservists, as the distribution of Active Duty and Reservists was not delineated in the Offutt AFB Economic Impact Statement 2021.	

Total payroll figures from the Offutt AFB Economic Impact Statement indicate over \$878.2 million in payroll to military and civilian members (see Table 5). The majority of payroll and benefits was spent on military members (\$436.1 million), with pay and benefits to appropriated civilian personnel totaling \$280.3 million. In addition, over \$498.7 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 \$1.38 billion in total expenditures were made in FY 2021.

Table 5. Offutt AFB and USSTRATCOM Payroll/Benefits and Expenditures FY 2021	
Payroll	Dollars
Military Members-All Services	\$436,101,383
Appropriated Fund Civilians	\$280,835,445
Other Civilian Employees	\$9,929,787
Contractors	\$151,375,445
Total Payroll	\$878,242,060
Base Expenditures	
Construction	\$19,086,143
Service Contracts	\$378,764,753
Other Federal Expenditures	\$100,849,425
Total Base Expenditures	\$498,700,231
Total Payroll and Expenditures	\$1,376,942,381
Source: Offutt Air Force Base Economic Impact Statement 2021.	

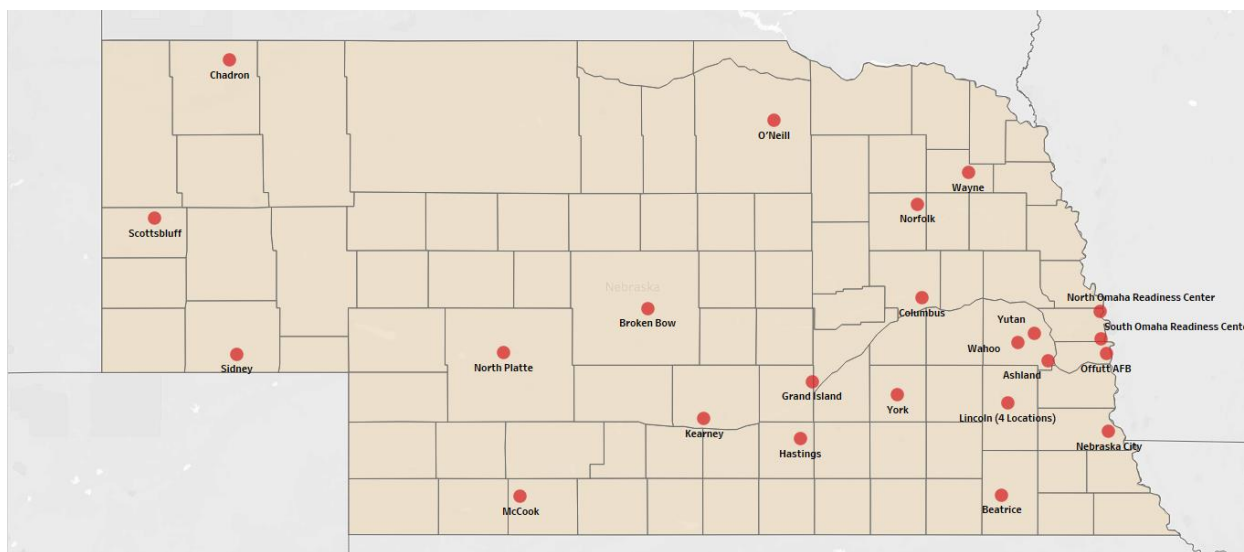
Nebraska National Guard, Air National Guard, and Nebraska Emergency Management Agency

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 25 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 Greenlief 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 (see Table 6).

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 58 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 2021	
Traditional National Guard	3,695
Active Guard Reserve Title 32	578
Active Duty Title 10	2
Total Military Personnel	4,275
Federally Funded State Personnel	80*
Military Department Total Personnel	4,355
Source: Direct communication with Nebraska National Guard Government Relations Specialist.	
*Nine 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.⁸⁹ The data indicate there are 4,355 total 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.

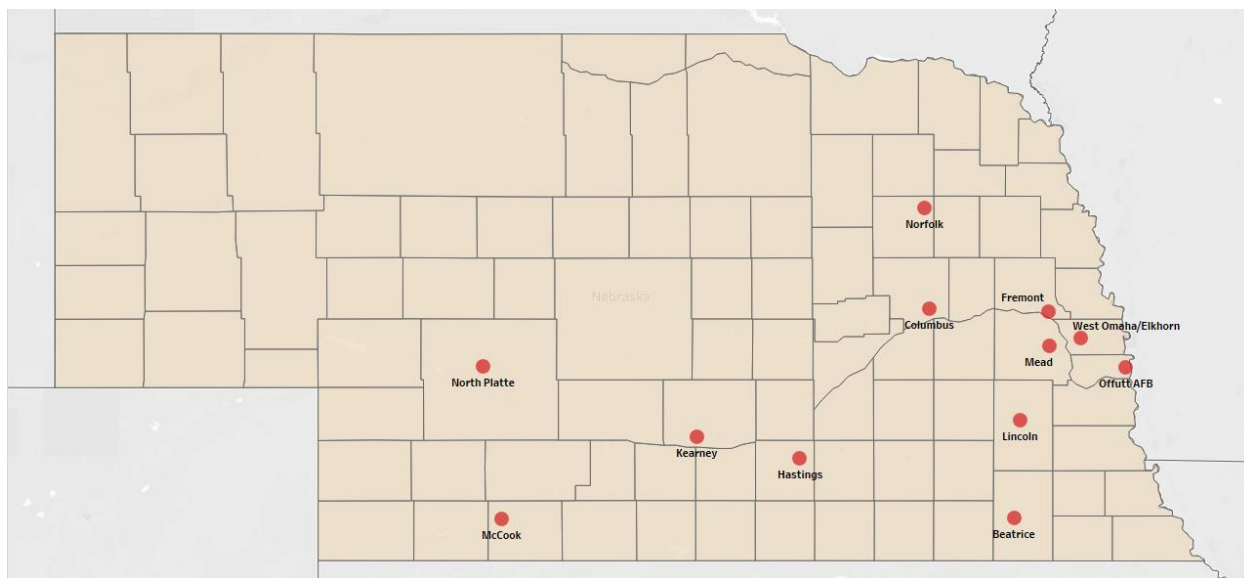
⁸⁹ Nebraska National Guard, Government Relations Specialist. (September 26, 2022). Email correspondence.

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.⁹⁰ 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.⁹¹ 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.⁹²

Figure 3. Army Reserve Locations in State of Nebraska



⁹⁰ U.S. Army Reserve, About Us. (2022). Available: <http://www.usar.army.mil/About-Us/>

⁹¹ U.S. Army Reserve, State of Nebraska and the United States Army Reserve. (2022). Available: <http://www.usar.army.mil/Featured/Ambassador-Program/Find-an-Ambassador/Nebraska/>

⁹² Omaha World Herald, “Children’s Hospital earns top award for supporting staffer and her unit deployed to Afghanistan.” (September 5, 2020).

An FY 2021 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).⁹³

Table 8. Army Reserve Personnel and Expenses, FY 2021		
	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/Featured/Ambassador-Program/Find-an-Ambassador/Nebraska/		

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, 226 military and 6 civilian (230 total) employees are located at Offutt AFB. A 2021 economic impact report conducted by the Air Force Reserve Command indicated that salary for Reservists and Civilians is \$10.7 million and \$0.2 million in operations spending. This results in a total of \$10.9 million in salary and operations for these units (see Table 9).

Table 9. Air Force Reserve Personnel and Expenses		
	Number	Payroll and Operations
Air Force Reserve and Civilian Personnel	230	\$10.9 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 2021, personnel include 12 active-duty personnel, four 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 \$2.77 million, and total annual operating costs were \$379,831.⁹⁴

⁹³ Nebraska Army Reserve Economic Impact Data obtained via State of Nebraska, Army Reserve Ambassador Program. (2022). Available: <https://www.usar.army.mil/Portals/98/Documents/At%20A%20Glance%202022/Nebraska01.jpg?ver=vAxzwOYh7tU8JqaN2Vxdpg%3d%3d>

⁹⁴ Marine Corps Reserve Point Paper. (2022). Document provided to authors.

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 million.⁹⁵ There have been no significant changes from FY 2019 to FY 2021.⁹⁶

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 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).⁹⁷

Table 10. U.S. Army Corps of Engineers Nebraska Personnel and Payroll		
	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 2021. As the table indicates, operation and maintenance costs for Gavins Point Dam were about \$10 million, with an additional \$2.5 million in costs to operate and maintain Harlan County Lake in south central Nebraska. All told, \$14.6 million in operation and maintenance costs were accrued during FY 2021. 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 \$73.4 million in spending by the USACE in Nebraska in FY 2021.

Table 11. U.S. Army Corps of Engineers Civil Works Spending in Nebraska, FY 2021			
	Operation	Maintenance	Total
Gavins Point Dam, Lewis and Clark Lake	\$8,263,000	\$1,740,000	\$10,003,000
Harlan County Lake	\$2,023,000	\$487,000	\$2,510,000
Missouri River – Kenslers Bend, NE to Sioux City, IA	\$72,000	\$35,000	\$107,000
Papillion Creek	\$692,000	\$126,000	\$818,000
Salt Creeks and Tributaries	\$962,000	\$197,000	\$1,159,000
Total			\$14,597,000
Source: Department of the Army Office, Assistant Secretary of the Army. (February, 2020). Fiscal Year 2021: Civil Works Budget of the U.S. Army Corps of Engineers. Available: https://usace.contentdm.oclc.org/digital/collection/p16021coll6/id/2124			

⁹⁵ Navy Operational Support Center Omaha, Nebraska 2019 Economic Impact. Document provided to authors.

⁹⁶ Email correspondence with Navy Reserve Center Omaha (formerly Navy Operational Support Center Omaha). (December 2021).

⁹⁷ U.S. Army Corps of Engineers, Omaha District. Document provided to authors.

National Strategic Research Institute. The National Strategic Research Institute⁹⁸ (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.⁹⁹ 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.¹⁰⁰

⁹⁸ National Strategic Research Institute. (2022). Available: <https://nsri.nebraska.edu/>

⁹⁹ 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)

¹⁰⁰ 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 2021, there are currently 14,521 military retirees in Nebraska.¹⁰¹ This number is down slightly from 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 2021, 13,492 received pension payments from the Federal Government through the DoD; this number is down from 13,603 in FY 2020; 13,662 in FY 2019; and 13,636 paid retirees in FY 2018. In December 2021, the total amount of monthly pension payments was \$33.3 million, which is up from recent years. Extrapolating this number across an entire calendar year, military retiree pension payments totaled \$399.6 million in the state. This figure is up from \$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 2021.

Table 12. Nebraska Military Retirees and Pension/Retirement Compensation, FY 2021			
	Military Retirees Receiving Compensation	Monthly Payments (in millions)	Annual Payments (in millions)
Air Force	7,952	\$21.5	\$258.0
Army	3,384	\$6.6	\$79.2
Marines	348	\$0.9	\$10.8
Navy	1,808	\$4.3	\$51.6
Total	13,492	\$33.3	\$399.6
Source: DoD Office of the Actuary, "Statistical Report on the Military Retirement System, Fiscal Year 2021." (2022). Available: https://actuary.defense.gov/Portals/15/MRS%20StatRpt%202021%20v999.pdf?ver=7Hbl6i-hNc1PVL4T3rtyxA%3d%3d			

¹⁰¹ DoD Office of the Actuary, "Statistical Report on the Military Retirement System, Fiscal Year 2021." (2022). Available: <https://actuary.defense.gov/Portals/15/MRS%20StatRpt%202021%20v999.pdf?ver=7Hbl6i-hNc1PVL4T3rtyxA%3d%3d>

U.S. Department of Veterans Affairs

The U.S. Department of Veterans Affairs (VA),¹⁰² provides services in several locations throughout the state (see Figure 4).¹⁰³ 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.¹⁰⁴ 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 23.¹⁰⁵ The VA Multi-Specialty Outpatient Clinic in Sidney falls under the Cheyenne VA Medical Center, a part of VISN 19: Rocky Mountain Network.¹⁰⁶ "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.

¹⁰² 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."

¹⁰³ U.S. Department of Veterans Affairs, VA Locations and Facilities in Nebraska. (October 2022). Available: https://www.va.gov/Directory/guide/fac_list_by_state.cfm?State=NE&dnum=All

¹⁰⁴ VA Nebraska-Western Iowa Health Care System. (2022). Available: <https://www.nebraska.va.gov/>

¹⁰⁵ VA Black Hills Health Care System. (2022). Available: <https://www.blackhills.va.gov/>

¹⁰⁶ Sidney VA MSOC. (2022). Available: https://www.cheyenne.va.gov/locations/Sidney_VA_MSOC.asp

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

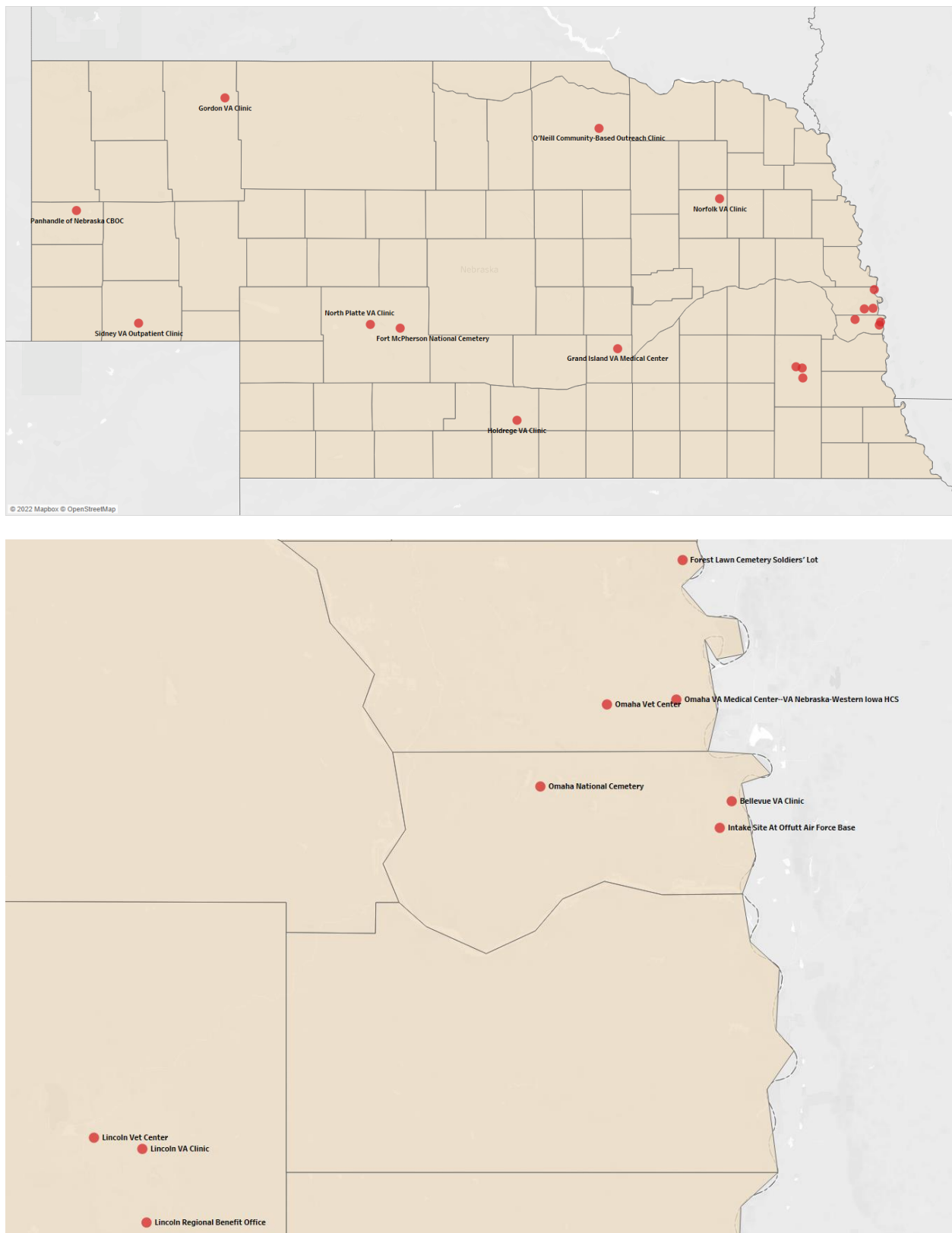
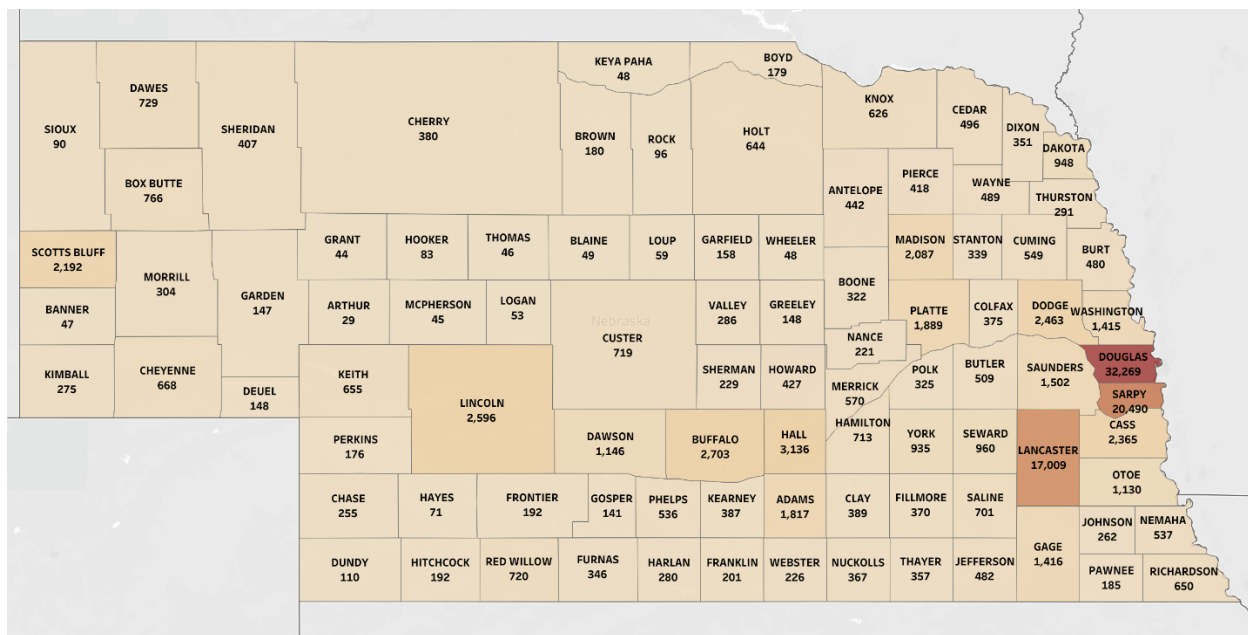


Figure 5. Number of Veterans Residing in Nebraska Counties (FY 2021)



¹⁰⁷ U.S. Department of Veterans Affairs, National Center for Veterans Analysis and Statistics, Geographic Distribution of Expenditures, Fiscal Year 2021. (2022). Available: <https://www.va.gov/vetdata/expenditures.asp>

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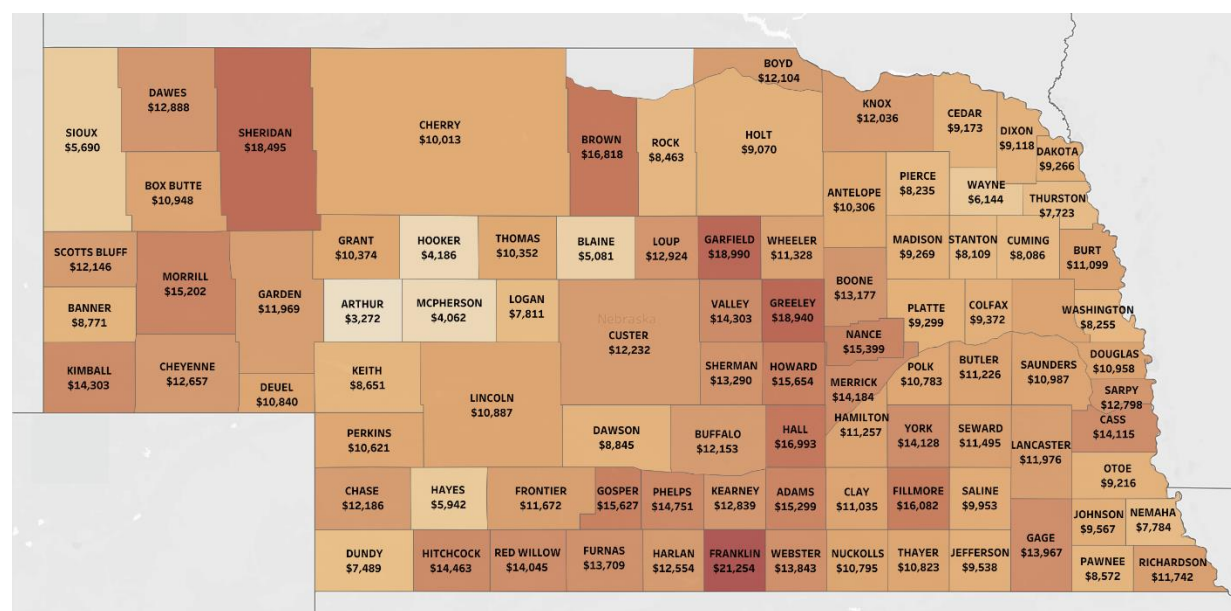
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Table 13. Total VA Spending in Nebraska, FY 2017 to 2021 (in millions)					
	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Compensation & Pension	\$582.54	\$554.79	\$645.76	\$698.16	\$724.61
Construction	\$17.00	\$12.51	\$37.99	\$48.40	\$13.62
Education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

Nebraska															
SIOUX \$0.51	DAWES \$9.39	SHERIDAN \$7.53	CHERRY \$3.80			KEYA PAHA \$17.11		BOYD \$2.17		KNOX \$7.53	CEDAR \$4.55	DIXON \$3.20	DAKOTA \$8.78		
BOX BUTTE \$8.39					BROWN \$3.03	ROCK \$0.81	HOLT \$5.84			ANTELOPE \$4.55	PIERCE \$3.44	WAYNE \$3.00	THURSTON \$2.25		
SCOTT'S BLUFF \$26.63	MORRILL \$4.62	GARDEN \$1.76	GRANT \$0.46	HOOVER \$0.35	THOMAS \$0.47	BLAINE \$0.25	LOUP \$0.76	GARFIELD \$3.00	WHEELER \$0.55	MADISON \$19.35	STANTON \$2.75	CUMING \$4.44	BURT \$5.32		
BANNER \$0.41			ARTHUR \$0.10	MCPHERSON \$0.18	LOGAN \$0.41	CUSTER \$8.79			VALLEY \$4.10	GREELEY \$2.81	PLATTE \$17.57	COLFAX \$3.51	DODGE \$27.41	WASHINGTON \$11.68	
KIMBALL \$3.93	CHEYENNE \$8.45	DEUEL \$1.60	KEITH \$5.66	LINCOLN \$28.26				SHERMAN \$3.05	HOWARD \$6.68	NANCE \$3.40	POLK \$3.50	BUTLER \$5.72	SAUNDERS \$16.51	DOUGLAS \$353.60	
			PERKINS \$1.87			DAWSON \$10.13	BUFFALO \$32.85	HALL \$53.29	MERRICK \$8.09	HAMILTON \$8.02	YORK \$13.21	SEWARD \$11.04	LANCASTER \$203.69	SARPY \$262.23	
			CHASE \$3.11	HAYES \$0.42	FRONTIER \$2.24	GOSPER \$2.20	PHELPS \$7.91	KEARNEY \$4.97	ADAMS \$27.80	CLAY \$4.29	FILLMORE \$5.94	SALINE \$6.97	OToe \$10.42	CASS \$33.38	
DUNDY \$0.82	HITCHCOCK \$2.77	RED WILLOW \$10.11	FURNAS \$4.74	HARLAN \$3.52	FRANKLIN \$4.28	WEBSTER \$3.13	NUCKOLLS \$3.96	THAYER \$3.86	JEFFERSON \$4.60	GAGE \$19.78	JOHNSON \$2.51	NEMAHIA \$4.18	PAWNEE \$1.59	RICHARDSON \$7.63	

Figure 8. VA Spending per Veteran per County in the State of Nebraska (FY 2021)



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 VA¹⁰⁸, there were 5,088 students utilizing some type of GI Bill program in FY 2021. Of these, 3,384 students utilized the Post-9/11 GI Bill program. FY 2021 numbers suggest a decrease in GI Bill usage in FY 2020, as 5,432 students utilized the program in FY 2020; 6,020 students utilized some type of GI Bill program in FY 2019, 6,260 students utilized GI Bill benefits in FY 2018, and 6,506 students utilized GI Bill benefits in FY 2017.

In FY 2021, 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 FY 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 FY 2019, and a decrease from the \$22.6 million in GI Bill spending that took place in FY 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.¹⁰⁹ The Veterans' Homes Board makes "all final determinations regarding admission, or continued admission, to one of the homes."¹¹⁰ 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

¹⁰⁸ Data for this analysis can be found at the VA GI Comparison Tool Website. (2022). Available:

https://www.benefits.va.gov/GIBILL/docs/job_aids/ComparisonToolData.xlsx

¹⁰⁹ Nebraska Revised Statute 80-316. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=80-316>

¹¹⁰ Nebraska Revised Statute 80-319. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=80-319>

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. 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.¹¹¹ 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.¹¹² 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.¹¹³

Table 14. Nebraska Department of Veterans' Affairs Appropriations, 2017-2022 Biennia					
	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022
General Fund	\$25,365,014	\$25,901,529	\$26,582,179	\$27,182,314	\$31,905,888
Cash Fund	\$15,939,311	\$15,888,622	\$16,254,758	\$16,578,388	\$16,120,144
Federal Dollars	\$24,663,084	\$24,898,861	\$25,414,794	\$25,870,637	\$22,870,637
Agency Total	\$65,967,409	\$66,689,012	\$68,251,731	\$69,631,339	\$70,896,669
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 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 State of Nebraska, Administrative Services, State Budget Division: Program Appropriations by Fund Type, 2021-2022 Biennium. Available: https://www.nebraska.gov/das/budgetportal/advanced.html?budget_type=A&fiscal_year=2022					

¹¹¹ Nebraska Veterans Aid Fund. (2022). Available: <https://veterans.nebraska.gov/nebraska-veterans-aid-fund-nva>

¹¹² Nebraska Department of Veterans' Affairs, Annual Statistics FY 2022. (October 2022). Email correspondence.

¹¹³ Panhandle Post. (2018). Available: <https://www.panhandlepost.com/nebraska-state-veterans-cemetery-at-alliance-gets-an-a-on-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.¹¹⁴ 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.¹¹⁵

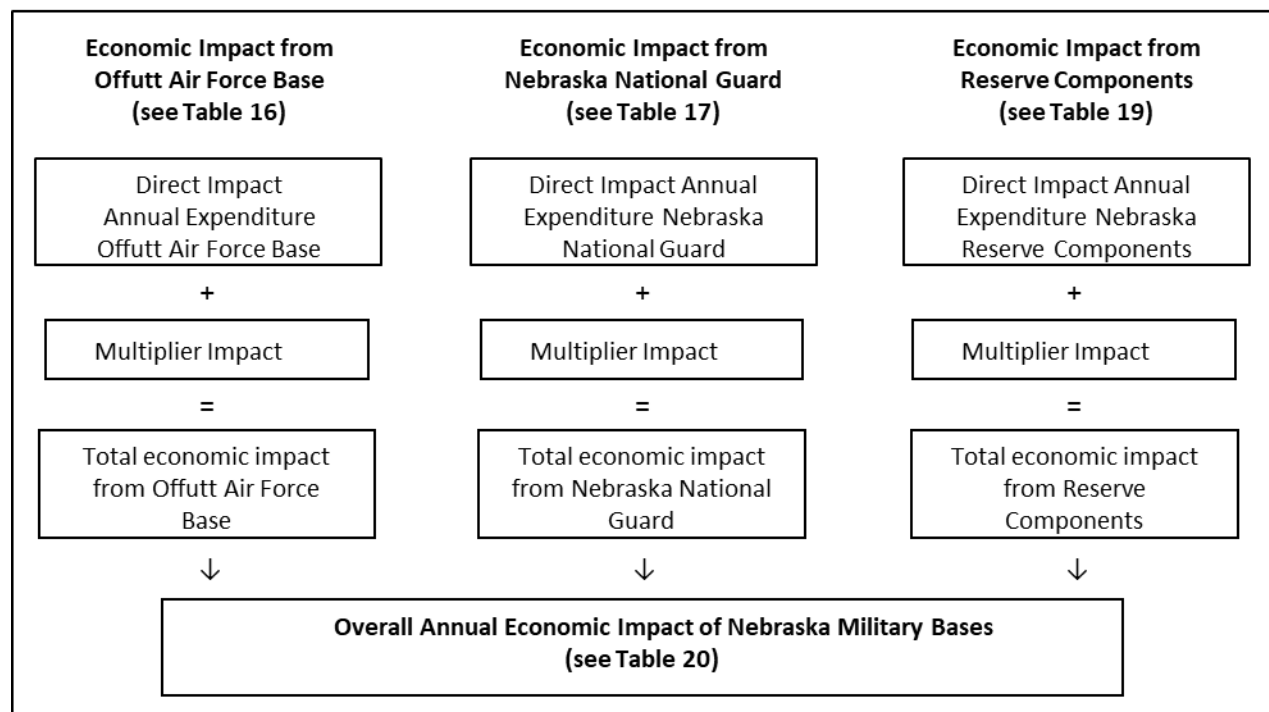
¹¹⁴ Nebraska Revised Statute 55-606. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-606>

¹¹⁵ 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 2021*¹¹⁶ reported military and civilian employment at the base of 8,749 and \$716.9 million¹¹⁷ in military and civilian payroll. Payroll is combined with \$108.5 million in other federal expenditures to yield a direct output impact of \$825.4 million. The output, payroll (employee compensation) and employment values are reported in Table 15.

The report *Offutt Air Force Base Economic Impact Statement 2021* further indicates that there is spending of \$378.8 million on service contracts. Detailed information available for fiscal year 2016 indicates that 84.3% of contract spending that year was with businesses which performed the service

¹¹⁶ Offutt Air Force Base Economic Impact Statement 2021. (2022). Available:

<https://www.offutt.af.mil/Portals/97/FY21%20Economic%20Impact%20Trifold.pdf>

¹¹⁷ 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.

either at Offutt Air Force Base or in Bellevue. If remaining spending is assumed to occur out of state, applying this percentage to fiscal year 2021 contract spending yields an estimated \$319.4 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 2,182 full-year equivalent jobs with employee compensation of \$132.7 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 2021 also reports construction spending during fiscal year 2021 of \$19.1 million. Based on industry averages available from the IMPLAN model, that level of construction spending would support an estimated 151 full-year jobs and \$8.4 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 2021 was \$1,164.0 million. The total direct impact in terms of employee compensation is \$858.0 million and the direct employment impact is 11,083 jobs.

Table 15. Direct Employment, Employee Compensation and Output Impact of Offutt Air Force Base			
	Output (Millions of \$)	Employee Compensation (Millions of \$)	Employment
Military and Civilian	\$825.5	\$716.9	8,749
Service Contracts	\$319.4	\$132.7 ¹	2,182 ¹
Construction	\$19.1	\$8.4 ¹	151 ¹
Total	\$1,164.0	\$858.0	11,083
Source: <i>Offutt Air Force Base Economic Impact Statement 2021</i> 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 2021. 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 2021 was \$1,996.6 million in output, including \$1,118.7 million in employee compensation paid to 16,646 workers.

Table 16. The Annual Economic Impact of Offutt Air Base on Nebraska			
	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$1,164.0	\$832.7	\$1,996.6
Employee Compensation (Millions of \$)	\$858.0	\$260.6	\$1,118.7
Employment	11,083	5,563	16,646
Source: <i>Offutt Air Force Base Economic Impact Statement 2021</i> 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 4,401 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.¹¹⁸ These employees receive payroll support and benefits of \$164.3.9 million from the federal government, again either directly or passed-through state government.¹¹⁹ 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.¹²⁰ 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.¹²¹

Table 17 shows the total annual economic impact of the Nebraska National Guard on the state during Fiscal Year 2021.¹²² 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 5,258 jobs.

¹¹⁸ The 74 NEMA employees were not included in the present analysis. Thus, the total number of employees is 4,401 rather than 4,475.

¹¹⁹ 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.

¹²⁰ 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.

¹²¹ 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.

¹²² 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.

Table 17. The Annual Economic Impact of the Nebraska National Guard on the State			
	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	4,401	857	5,258
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.¹²³ Data from the Army Reserve are for 2020, data from the Air Force Reserve are for Fiscal Year 2021 and data from the Marine Reserve are for Fiscal Year 2021. The Navy Reserve confirmed that data for 2020 was not significantly different from 2019 so values from the 2019 study are utilized.

Table 18. Direct Employment, Employee Compensation and Output Impact of Nebraska-based Reserve Forces			
	Output (Millions of \$)	Employee Compensation (Millions of \$)	Employment
Air Force Reserve	\$11.0	\$10.7	230
Army Reserve	\$41.5	\$40.8	1,362
Marine Corps Reserve	\$3.1	\$2.8	126
Navy Reserve	\$4.1	\$1.8	270
Total	\$59.8	\$56.2	1,988
Source: FY 2021 Air Force Reserve Command Economic Impact Analysis, Army Reserve Impacts FY 2020 (By The Numbers), U.S. Marine Corps Reserve (Omaha Nebraska) Economic Impact 2021, Navy Operational Support Center Omaha, NE Economic Impact 2019			

The total direct economic impact of Reserve Components in Nebraska is \$59.8 million over a one-year period. The impact includes \$56.2 million in compensation spread over 1,988 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 \$103.1 million in output, including \$69.6 million in employee compensation paid to workers in 2,273 jobs.

FY 2021 Air Force Reserve Command Economic Impact Analysis, Army Reserve Impacts FY 2020 (By The Numbers), U.S. Marine Corps Reserve (Omaha Nebraska) Economic Impact 2021, Navy Operational Support Center Omaha, NE Economic Impact 2019

Table 19. The Annual Economic Impact of Reserve Forces on Nebraska			
	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$59.8	\$43.3	\$103.1
Employee Compensation (Millions of \$)	\$56.2	\$13.4	\$69.6
Employment	1,988	285	2,273
Source: FY 2021 <i>Air Force Reserve Command Economic Impact Analysis</i> , <i>Army Reserve Impacts FY 2020 (By The Numbers)</i> , <i>U.S. Marine Corps Reserve (Omaha Nebraska) Economic Impact 2021</i> , <i>Navy Operational Support Center Omaha, NE Economic Impact 2019</i> , 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 \$2,471.0 million in terms of output, including \$1,392.4 million in employee compensation paid to workers in 24,176 jobs. When interpreting these numbers through the lens of an input-output analysis, it is possible to say that the multiplier effect is 1.69.

Table 20. The Overall Economic Impact of Nebraska Military Assets on the State			
	Direct Impact	Multiplier Impact	Total Impact
Output (Millions of \$)	\$1,466.4	\$1,004.6	\$2,471.0
Employee Compensation (Millions of \$)	\$1,078.5	\$314.0	\$1,392.4
Employment	17,471	6,705	24,176
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 \$399.6 million in payments by the military retirement system to residents of Nebraska during Fiscal Year 2021, according to the *Statistical Report on the Military Retirement System Fiscal Year 2021* (DoD Office of the Actuary, 2022). These payments were made to 13,492 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.¹²⁴ 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 retirement payments during Fiscal Year 2021. The annual impact from military retirement payments

¹²⁴ 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.

was \$413.6 million in terms of output, including \$128.6 million in employee compensation paid to workers in 2,684 jobs.

Table 21. The Annual Economic Impact of Military Retirement System Payments on the Nebraska Economy			
	Output (Millions \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Total Economic Impact	\$413.6	\$128.6	2,683
Source: <i>Statistical Report on the Military Retirement System Fiscal Year 2021</i> and BBR calculations using IMPLAN			

Economic Impact of Veterans Affairs Spending

The U.S. Department of Veterans Affairs spent \$1.48 billion in the State of Nebraska during Fiscal Year 2021, according to the report *Geographic Distribution of VA Expenditures for Fiscal Year 2021* 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 2021 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 \$17.0 million.

Table 22. Veterans Affairs Spending in Nebraska Fiscal Year 2021 By Program	
Purpose/Program	Amount Fiscal Year 2021 (Millions \$)
General Operating Expenses	\$17.0
Construction	\$13.6
Compensation and Pension	\$724.6
Medical Care	\$662.1
Education & Vocational Rehabilitation/Employment	\$52.7
Insurance & Indemnities	\$9.7
Source: <i>Geographic Distribution of VA Expenditures for Fiscal Year 2021</i>	

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 Veterans Affairs. 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 \$1,243.7 million, including a direct economic impact of \$662.1 and a multiplier impact of \$581.6. The total annual economic impact from employee compensation and pension payments is \$750.1 million. The total annual economic impact from all Veterans Affairs spending in Nebraska was \$2,149.0 during Fiscal Year 2021. From an input-output perspective, the multiplier effect for VA spending was 1.85.

Table 23. The Annual Economic Impact on Nebraska from Veterans Affairs Spending			
Impact in Terms of Output	Direct Impact (Millions \$)	Multiplier Impact (Millions \$)	Total Impact (Millions \$)
General Operating Expenses	\$17.0	\$9.3	\$26.3
Construction	\$13.6	\$11.3	\$24.9
Compensation and Pension	\$0.0 ^a	\$750.1	\$750.1
Medical Care	\$662.1	\$581.6	\$1,243.7
Education & Vocational Rehabilitation/Employment	\$52.7	\$51.3	\$104.0
Total			\$2,149.0
Source: <i>Geographic Distribution of VA Expenditures for Fiscal Year 2021</i> and BBR calculations using IMPLAN			
^a There was \$724.6 million in VA Compensation and Pension payments in FY 2021. 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 \$750.1 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 \$871.4 million in employee compensation paid to workers in 16,363 jobs. Once again, the largest contribution to the annual impact was Veterans Affairs spending on medical care followed by spending on compensation and pensions.

Table 24. The Annual Economic Impact on Nebraska from Veterans Affairs Spending: Employee Compensation and Employment		
	Employee Compensation (Millions \$)	Employment (Jobs)
General Operating Expenses	\$14.6	164
Construction	\$10.8	206
Compensation and Pension	\$233.2	4,867
Medical Care	\$576.7	10,130
Education & Vocational Rehabilitation/Employment	\$36.0	996
Total	\$871.4	16,363
Source: <i>Geographic Distribution of VA Expenditures for Fiscal Year 2021</i> 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 \$14.81 million during Fiscal Year 2020. 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 \$120.2 million while USACE operations and maintenance had an annual impact of \$23.8 million during FY 2020. The total annual impact of USACE overall is \$144.0 million, including \$87.5 million in employee compensation spread over 1,228 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	\$23.8	\$14.1	210
USACE Total	\$144.0	\$87.5	1,228
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 2021. 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 2021. The total annual impact of GI Bill higher education benefits in FY 2021 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 2021 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 2021. 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 2021

Source of Impact	Output (Million \$)	Employee Compensation (Millions \$)	Employment (Jobs)
Military Bases	\$2,471.0	\$1,392.4	24,176
Military Retirement System Payments	\$413.6	\$128.6	2,684
Veterans Affairs Spending	\$2,149.0	\$871.4	16,363
Army Corps of Engineers	\$144.0	\$87.5	1,228
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.¹²⁵

¹²⁵ Nebraska Commission on Military and Veteran Affairs, Impact of Military Service on Employee Skills and Salaries. (2017). Annual Report. Available: [https://nebraskalegislature.gov/FloorDocs/105/PDF/Agencies/Veterans Affairs Department Of/610_20171120-163741.pdf](https://nebraskalegislature.gov/FloorDocs/105/PDF/Agencies/Veterans%20Affairs_Department%20Of/610_20171120-163741.pdf)

5. 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 2021 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 \$848.9 million in contract obligations, \$678.8 million in contracts (80% of the total) were held with the Department of Defense, and \$170.1 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 \$456.9 million in federal action obligations. The Departments of the Army and Navy were the next largest with \$173.4 million and \$25.2 million in obligations, respectively. The Defense Logistics Agency (\$14.3 million in contracts) also awarded a considerable level of funding to Nebraska businesses. Table 28 below contains detailed information.

Table 28. Federal Obligations to Nebraska Entities by Agency (FY 2021)	
Sub Agency	Amount
DEFENSE COMMISSARY AGENCY (DECA)	\$2,230,104
DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS)	\$86,839
DEFENSE HEALTH AGENCY (DHA)	\$2,523,520
DEFENSE INFORMATION SYSTEMS AGENCY (DISA)	\$1,073,207
DEFENSE LOGISTICS AGENCY	\$14,339,538
DEFENSE MICROELECTRONICS ACTIVITY (DMEA)	\$1,621,054
DEFENSE THREAT REDUCTION AGENCY (DTRA)	\$1,123,513
DEPARTMENT OF THE AIR FORCE	\$456,926,370
DEPARTMENT OF THE ARMY	\$173,413,216
DEPARTMENT OF THE NAVY	\$25,246,427
USTRANSCOM	\$171,000
VETERANS AFFAIRS, DEPARTMENT OF	\$170,142,043
WASHINGTON HEADQUARTERS SERVICES (WHS)	\$153,045

Federal Contracting by County

The total value of federal dollars obligated in contracts with Nebraska businesses in FY 2021 was \$848.9 million.¹²⁶ The table below presents the distribution of those contract dollars throughout Nebraska counties. The majority of dollars are obligated to contracts with businesses in Douglas County, with substantial contract obligations in Sarpy and Lancaster Counties (see Table 29).

Table 29. Federal Contract Dollars to Nebraska Counties, FY 2021					
County	Total Dollars Obligated	County	Total Dollars Obligated	County	Total Dollars Obligated
SARPY	\$534,761,843	WASHINGTON	\$1,558,418	CHASE	\$316,910
DOUGLAS	\$212,398,762	GAGE	\$1,509,521	SHERIDAN	\$252,827
MADISON	\$34,123,998	SCOTTS BLUFF	\$1,261,319	RED WILLOW	\$236,488
LANCASTER	\$19,726,009	CEDAR	\$1,148,191	DODGE	\$213,013
THURSTON	\$7,732,127	CASS	\$991,944	KEARNEY	\$180,969
HALL	\$5,061,068	BUFFALO	\$983,978	HITCHCOCK	\$149,247
KNOX	\$3,139,188	GARFIELD	\$709,591	SHERMAN	\$79,782
SAUNDERS	\$3,077,475	LINCOLN	\$671,666	DIXON	\$79,602
OTOE	\$3,049,010	JOHNSON	\$648,156	DAWES	\$64,467
DAWSON	\$2,488,242	YORK	\$598,804	HOLT	\$48,649
ADAMS	\$2,425,873	FILLMORE	\$567,911	SEWARD	\$44,393
RICHARDSON	\$2,025,158	NANCE	\$550,827	PHELPS	\$31,032
KIMBALL	\$2,015,253	HARLAN	\$481,005	HAMILTON	\$9,116
CHEYENNE	\$1,925,846	WAYNE	\$391,674	SALINE	\$3,210
CUMING	\$1,782,671	MORRILL	\$376,861		

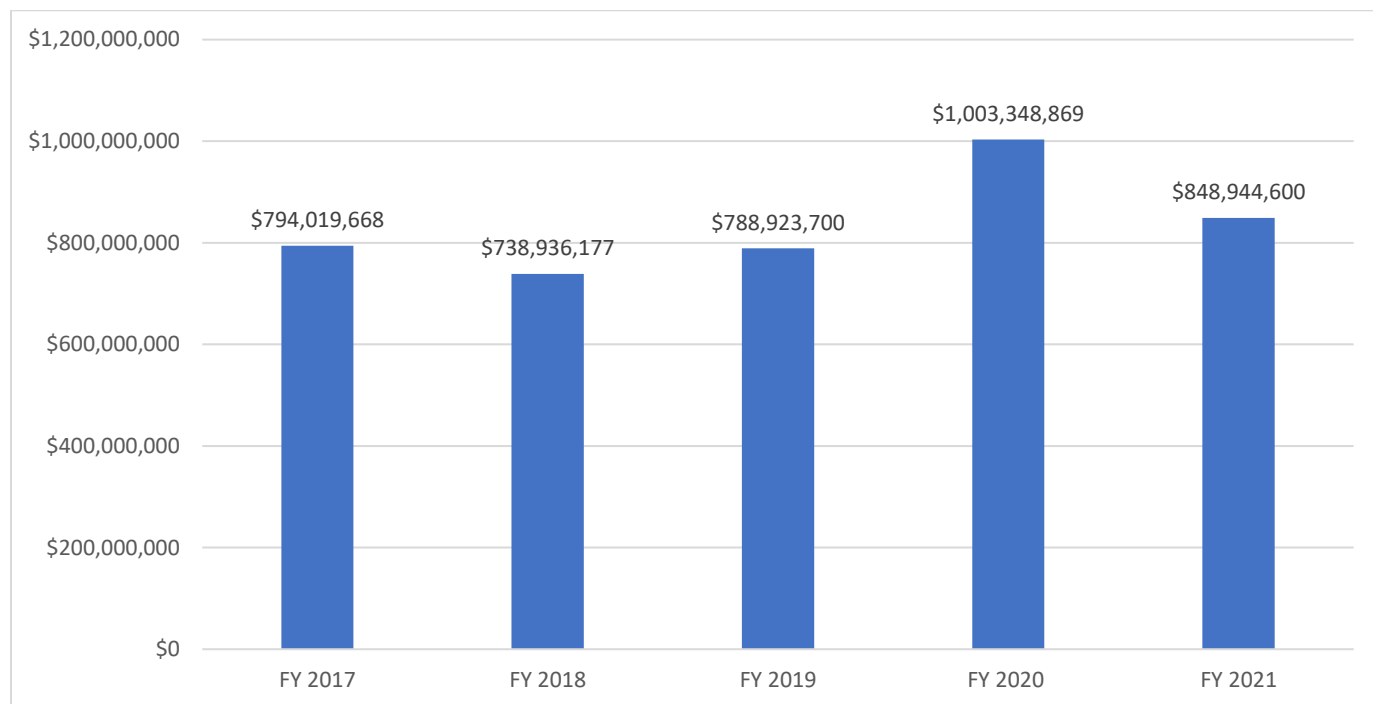
Federal Contract Dollars by Year, FY 2017-FY 2021

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 2021 using the same procedures as those used to conduct the analysis in Table 29. The results of the analysis are presented in Figure 10. As the figure shows, FY 2020 appears to be the high mark among the five 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.

¹²⁶ 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 10. Department of Defense and U.S. Department of Veterans Affairs Contract Dollars, FY2017-FY2021



Federal Contracting by Industry, FY 2017-2021

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.

As Table 30 below shows, the top industry conducting business with the Department of Defense and Veterans Affairs in 2017 was Professional, Scientific, and Technical Services (NAICS 541), with \$356.6 million in obligated dollars. This industry comprised nearly 45% of all business conducted with the DoD and VA in the state. Businesses in the Electrical Equipment, Appliance, and Component Manufacturing industry (NAICS 335) received about \$90 million in contract obligations. Businesses offering services in Construction of Buildings (NAICS 236) received about \$82 million in contract obligations.

Table 30. Federal Contract Obligations by Industry (FY 2017)

NAICS	NAICS Description	Total Dollars Obligated	Percentage
541	Professional, Scientific, and Technical Services	\$356,555,335	44.90%
335	Electrical Equipment, Appliance, and Component Manufacturing	\$90,284,312	11.40%
236	Construction of Buildings	\$82,062,215	10.30%
334	Computer and Electronic Product Manufacturing	\$49,201,284	6.20%
337	Furniture and Related Product Manufacturing	\$46,933,646	5.90%
561	Administrative and Support Services	\$26,059,067	3.30%
511	Publishing Industries (Except Internet)	\$18,899,776	2.40%
623	Nursing and Residential Care Facilities	\$14,275,302	1.80%
611	Educational Services	\$12,572,306	1.60%
524	Insurance Carriers and Related Activities	\$11,302,135	1.40%
562	Waste Management and Remediation Services	\$9,294,988	1.20%
339	Miscellaneous Manufacturing	\$9,251,655	1.20%
622	Hospitals	\$9,108,667	1.10%
332	Fabricated Metal Product Manufacturing	\$9,082,945	1.10%
621	Ambulatory Health Care Services	\$8,020,093	1.00%
238	Specialty Trade Contractors	\$7,084,002	0.90%
237	Heavy and Civil Engineering Construction	\$6,313,154	0.80%
811	Repair and Maintenance	\$4,648,106	0.60%
221	Utilities	\$2,456,531	0.30%
423	Merchant Wholesalers, Durable Goods	\$2,282,198	0.30%
722	Food Services and Drinking Places	\$1,997,720	0.30%
336	Transportation Equipment Manufacturing	\$1,996,364	0.30%
532	Rental and Leasing Services	\$1,480,424	0.20%
333	Machinery Manufacturing	\$1,436,340	0.20%
315	Apparel Manufacturing	\$1,422,517	0.20%
517	Telecommunications	\$1,250,258	0.20%
481	Air Transportation	\$1,149,172	0.10%
531	Real Estate	\$916,942	0.10%
331	Primary Metal Manufacturing	\$914,883	0.10%
324	Petroleum and Coal Products Manufacturing	\$821,037	0.10%
624	Social Assistance	\$764,622	0.10%
924	Administration of Environmental Quality Programs	\$741,669	0.10%
812	Personal and Laundry Services	\$540,364	0.10%
424	Merchant Wholesalers, Nondurable Goods	\$331,522	0.00%
314	Textile Product Mills	\$320,930	0.00%
444	Building Material and Garden Equipment and Supplies Dealers	\$287,850	0.00%
492	Couriers and Messengers	\$190,232	0.00%
443	Electronics and Appliance Stores	\$178,077	0.00%

213	Support Activities for Mining	\$174,060	0.00%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$170,288	0.00%
721	Accommodation	\$166,502	0.00%
212	Mining (except Oil and Gas)	\$146,637	0.00%
325	Chemical Manufacturing	\$136,770	0.00%
515	Broadcasting (Except Internet)	\$116,705	0.00%
326	Plastics and Rubber Products Manufacturing	\$110,595	0.00%
522	Credit Intermediation and Related Activities	\$99,990	0.00%
922	Justice, Public Order, and Safety Activities	\$81,202	0.00%
323	Printing and Related Support Activities	\$63,677	0.00%
493	Warehousing and Storage	\$47,173	0.00%
713	Amusement, Gambling, and Recreation Industries	\$44,358	0.00%
316	Leather and Allied Product Manufacturing	\$43,728	0.00%
519	Other Information Services	\$37,057	0.00%
926	Administration of Economic Programs	\$36,650	0.00%
322	Paper Manufacturing	\$33,823	0.00%
327	Nonmetallic Mineral Product Manufacturing	\$31,731	0.00%
453	Miscellaneous Store Retailers	\$17,415	0.00%
711	Performing Arts, Spectator Sports, and Related Industries	\$16,644	0.00%
488	Support Activities for Transportation	\$6,281	0.00%
115	Support Activities for Agriculture and Forestry	\$5,220	0.00%
923	Administration of Human Resource Programs	\$4,108	0.00%
484	Truck Transportation	\$300	0.00%
485	Transit and Ground Passenger Transportation	\$114	0.00%

In FY 2018, businesses in the Professional, Scientific, and Technical Services industry again did the most business with the DoD and Department of Veterans Affairs with about \$366 million in contract obligations (see Table 31). The Insurance Carriers and Related Activities industry was the second most-represented industry, with about \$75 million contract obligations. Companies engaged in the Construction of Buildings received nearly \$40 million in contract obligations, as did businesses engaged in Computer and Electronic Product Manufacturing.

Table 31. Federal Contract Obligations by Industry (FY 2018)

NAICS	NAICS Description	Total Dollars Obligated	Percentage
541	Professional, Scientific, and Technical Services	\$439,744,407	59.50%
524	Insurance Carriers and Related Activities	\$75,183,675	10.20%
236	Construction of Buildings	\$39,364,342	5.30%
334	Computer and Electronic Product Manufacturing	\$37,353,154	5.10%
561	Administrative and Support Services	\$19,635,918	2.70%
623	Nursing and Residential Care Facilities	\$15,752,533	2.10%
511	Publishing Industries (Except Internet)	\$14,577,961	2.00%
611	Educational Services	\$13,370,564	1.80%
562	Waste Management and Remediation Services	\$12,099,585	1.60%
622	Hospitals	\$9,217,504	1.20%
339	Miscellaneous Manufacturing	\$7,504,367	1.00%
621	Ambulatory Health Care Services	\$7,108,067	1.00%
337	Furniture and Related Product Manufacturing	\$5,335,483	0.70%
237	Heavy and Civil Engineering Construction	\$4,359,476	0.60%
324	Petroleum and Coal Products Manufacturing	\$3,914,750	0.50%
517	Telecommunications	\$3,671,717	0.50%
238	Specialty Trade Contractors	\$3,090,205	0.40%
811	Repair and Maintenance	\$2,974,549	0.40%
336	Transportation Equipment Manufacturing	\$2,389,659	0.30%
311	Food Manufacturing	\$2,200,868	0.30%
722	Food Services and Drinking Places	\$2,057,563	0.30%
333	Machinery Manufacturing	\$2,020,881	0.30%
221	Utilities	\$1,963,995	0.30%
332	Fabricated Metal Product Manufacturing	\$1,816,871	0.20%
481	Air Transportation	\$1,416,838	0.20%
532	Rental and Leasing Services	\$1,135,655	0.20%
331	Primary Metal Manufacturing	\$929,754	0.10%
493	Warehousing and Storage	\$837,708	0.10%
924	Administration of Environmental Quality Programs	\$831,940	0.10%
531	Real Estate	\$809,565	0.10%
315	Apparel Manufacturing	\$744,228	0.10%
721	Accommodation	\$693,970	0.10%
624	Social Assistance	\$690,031	0.10%

812	Personal and Laundry Services	\$637,428	0.10%
325	Chemical Manufacturing	\$539,029	0.10%
335	Electrical Equipment, Appliance, and Component Manufacturing	\$456,642	0.10%
711	Performing Arts, Spectator Sports, and Related Industries	\$331,350	0.00%
515	Broadcasting (Except Internet)	\$237,517	0.00%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$232,470	0.00%
484	Truck Transportation	\$167,211	0.00%
444	Building Material and Garden Equipment and Supplies Dealers	\$152,921	0.00%
492	Couriers and Messengers	\$140,793	0.00%
212	Mining (except Oil and Gas)	\$130,861	0.00%
326	Plastics and Rubber Products Manufacturing	\$125,288	0.00%
115	Support Activities for Agriculture and Forestry	\$122,891	0.00%
519	Other Information Services	\$108,939	0.00%
451	Sporting Goods, Hobby, Book, and Music Stores	\$108,888	0.00%
713	Amusement, Gambling, and Recreation Industries	\$104,513	0.00%
443	Electronics and Appliance Stores	\$102,599	0.00%
522	Credit Intermediation and Related Activities	\$85,000	0.00%
327	Nonmetallic Mineral Product Manufacturing	\$70,003	0.00%
316	Leather and Allied Product Manufacturing	\$61,212	0.00%
922	Justice, Public Order, and Safety Activities	\$43,818	0.00%
423	Merchant Wholesalers, Durable Goods	\$37,737	0.00%
712	Museums, Historical Sites, and Similar Institutions	\$36,604	0.00%
452	General Merchandise Stores	\$24,992	0.00%
488	Support Activities for Transportation	\$24,926	0.00%
322	Paper Manufacturing	\$18,660	0.00%
424	Merchant Wholesalers, Nondurable Goods	\$13,434	0.00%
213	Support Activities for Mining	\$9,256	0.00%
323	Printing and Related Support Activities	\$6,849	0.00%
314	Textile Product Mills	\$6,563	0.00%

In FY 2019, businesses in the Professional, Scientific, and Technical Services industry again did the most business with the DoD and Department of Veterans Affairs with about \$382 million in contract obligations (see Table 32). The Administrative and Support Services industry was the second most-represented industry, with about \$105 million contract obligations. Companies engaged in the Construction of Buildings received over \$73 million in contract obligations.

NAICS	NAICS Description	Total Dollars Obligated	Percentage
541	Professional, Scientific, and Technical Services	\$381,661,292	48.38%
561	Administrative and Support Services	\$105,378,234	13.36%
236	Construction of Buildings	\$73,946,427	9.37%
237	Heavy and Civil Engineering Construction	\$32,151,648	4.08%
334	Computer and Electronic Product Manufacturing	\$31,497,741	3.99%
524	Insurance Carriers and Related Activities	\$23,751,609	3.01%
623	Nursing and Residential Care Facilities	\$17,518,436	2.22%
611	Educational Services	\$15,945,096	2.02%
562	Waste Management and Remediation Services	\$15,924,696	2.02%
511	Publishing Industries (Except Internet)	\$11,140,197	1.41%
238	Specialty Trade Contractors	\$8,570,903	1.09%
622	Hospitals	\$7,532,802	0.95%
221	Utilities	\$7,279,233	0.92%
621	Ambulatory Health Care Services	\$6,289,651	0.80%
311	Food Manufacturing	\$6,237,274	0.79%
337	Furniture and Related Product Manufacturing	\$5,405,999	0.69%
336	Transportation Equipment Manufacturing	\$4,516,662	0.57%
517	Telecommunications	\$3,491,762	0.44%
335	Electrical Equipment, Appliance, and Component Manufacturing	\$3,369,587	0.43%
324	Petroleum and Coal Products Manufacturing	\$3,211,726	0.41%
811	Repair and Maintenance	\$2,967,263	0.38%
333	Machinery Manufacturing	\$2,868,363	0.36%
339	Miscellaneous Manufacturing	\$2,219,306	0.28%
332	Fabricated Metal Product Manufacturing	\$2,042,814	0.26%
481	Air Transportation	\$1,645,185	0.21%
722	Food Services and Drinking Places	\$1,643,868	0.21%
532	Rental and Leasing Services	\$1,442,159	0.18%
212	Mining (except Oil and Gas)	\$1,116,047	0.14%
315	Apparel Manufacturing	\$831,951	0.11%
331	Primary Metal Manufacturing	\$831,140	0.11%
721	Accommodation	\$772,182	0.10%
924	Administration of Environmental Quality Programs	\$648,228	0.08%
423	Merchant Wholesalers, Durable Goods	\$645,494	0.08%

492	Couriers and Messengers	\$496,557	0.06%
325	Chemical Manufacturing	\$470,723	0.06%
812	Personal and Laundry Services	\$460,784	0.06%
444	Building Material and Garden Equipment and Supplies Dealers	\$429,179	0.05%
484	Truck Transportation	\$379,285	0.05%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$347,149	0.04%
531	Real Estate	\$286,806	0.04%
314	Textile Product Mills	\$170,144	0.02%
485	Transit and Ground Passenger Transportation	\$146,096	0.02%
515	Broadcasting (Except Internet)	\$139,186	0.02%
316	Leather and Allied Product Manufacturing	\$132,355	0.02%
488	Support Activities for Transportation	\$117,701	0.01%
442	Furniture and Home Furnishings Stores	\$96,699	0.01%
922	Justice, Public Order, and Safety Activities	\$85,454	0.01%
454	Non-store Retailers	\$74,950	0.01%
451	Sporting Goods, Hobby, Book, and Music Stores	\$74,598	0.01%
624	Social Assistance	\$69,148	0.01%
448	Clothing and Clothing Accessories Stores	\$67,470	0.01%
326	Plastics and Rubber Products Manufacturing	\$63,663	0.01%
519	Other Information Services	\$62,139	0.01%
441	Motor Vehicle and Parts Dealers	\$58,379	0.01%
321	Wood Product Manufacturing	\$55,855	0.01%
327	Nonmetallic Mineral Product Manufacturing	\$43,245	0.01%
424	Merchant Wholesalers, Nondurable Goods	\$40,334	0.01%
522	Credit Intermediation and Related Activities	\$20,664	0.00%
322	Paper Manufacturing	\$15,880	0.00%
443	Electronics and Appliance Stores	\$11,208	0.00%
711	Performing Arts, Spectator Sports, and Related Industries	\$7,173	0.00%
713	Amusement, Gambling, and Recreation Industries	\$5,900	0.00%

In FY 2020, businesses in the Professional, Scientific, and Technical Services industry again did the most business with the DoD and Department of Veterans Affairs with about \$546 million in contract obligations (see Table 33). The Construction of Buildings industry was the second most-represented industry, with about \$199 million contract obligations. Companies engaged in the Heavy and Civil Engineering Construction industry received about \$86 million in contract obligations.

Table 33. Federal Contract Obligations by Industry (FY 2020)			
NAICS	NAICS Description	Total Dollars Obligated	Percentage
541	Professional, Scientific, and Technical Services	\$546,264,376	54.4%
236	Construction of Buildings	\$198,577,029	19.8%
237	Heavy and Civil Engineering Construction	\$86,190,511	8.6%
561	Administrative and Support Services	\$22,236,609	2.2%
562	Waste Management and Remediation Services	\$20,922,470	2.1%
623	Nursing and Residential Care Facilities	\$16,756,781	1.7%
511	Publishing Industries (Except Internet)	\$14,043,836	1.4%
611	Educational Services	\$10,783,367	1.1%
334	Computer and Electronic Product Manufacturing	\$9,094,947	0.9%
622	Hospitals	\$7,140,541	0.7%
332	Fabricated Metal Product Manufacturing	\$7,118,434	0.7%
335	Electrical Equipment, Appliance, and Component Manufacturing	\$6,990,221	0.7%
311	Food Manufacturing	\$6,961,295	0.7%
621	Ambulatory Health Care Services	\$5,844,283	0.6%
238	Specialty Trade Contractors	\$5,263,336	0.5%
337	Furniture and Related Product Manufacturing	\$4,779,125	0.5%
517	Telecommunications	\$4,436,319	0.4%
811	Repair and Maintenance	\$4,147,067	0.4%
336	Transportation Equipment Manufacturing	\$3,090,120	0.3%
221	Utilities	\$2,660,050	0.3%
423	Merchant Wholesalers, Durable Goods	\$2,582,499	0.3%
339	Miscellaneous Manufacturing	\$2,006,961	0.2%
481	Air Transportation	\$1,733,792	0.2%
324	Petroleum and Coal Products Manufacturing	\$1,685,458	0.2%
333	Machinery Manufacturing	\$1,445,435	0.1%
722	Food Services and Drinking Places	\$1,434,366	0.1%
315	Apparel Manufacturing	\$1,299,568	0.1%
532	Rental and Leasing Services	\$1,038,841	0.1%
331	Primary Metal Manufacturing	\$882,588	0.1%
812	Personal and Laundry Services	\$775,582	0.1%
212	Mining (except Oil and Gas)	\$729,382	0.1%
492	Couriers and Messengers	\$590,899	0.1%
924	Administration of Environmental Quality Programs	\$516,883	0.1%
327	Nonmetallic Mineral Product Manufacturing	\$392,311	0.0%

Table 33. Federal Contract Obligations by Industry (FY 2020)			
NAICS	NAICS Description	Total Dollars Obligated	Percentage
493	Warehousing and Storage	\$327,269	0.0%
484	Truck Transportation	\$261,814	0.0%
624	Social Assistance	\$247,303	0.0%
314	Textile Product Mills	\$247,061	0.0%
518	Data Processing, Hosting, and Related Services	\$215,836	0.0%
325	Chemical Manufacturing	\$199,167	0.0%
448	Clothing and Clothing Accessories Stores	\$185,855	0.0%
531	Real Estate	\$181,532	0.0%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$158,626	0.0%
721	Accommodation	\$157,790	0.0%
922	Justice, Public Order, and Safety Activities	\$89,846	0.0%
454	Non-store Retailers	\$82,706	0.0%
515	Broadcasting (Except Internet)	\$80,223	0.0%
444	Building Material and Garden Equipment and Supplies Dealers	\$79,118	0.0%
443	Electronics and Appliance Stores	\$67,739	0.0%
519	Other Information Services	\$64,600	0.0%
326	Plastics and Rubber Products Manufacturing	\$48,141	0.0%
321	Wood Product Manufacturing	\$45,817	0.0%
316	Leather and Allied Product Manufacturing	\$40,599	0.0%
711	Performing Arts, Spectator Sports, and Related Industries	\$36,325	0.0%
323	Printing and Related Support Activities	\$31,420	0.0%
452	General Merchandise Stores	\$24,991	0.0%
213	Support Activities for Mining	\$18,285	0.0%
441	Motor Vehicle and Parts Dealers	\$16,932	0.0%
322	Paper Manufacturing	\$16,592	0.0%
926	Administration of Economic Programs	\$5,200	0.0%
115	Support Activities for Agriculture and Forestry	\$2,500	0.0%
488	Support Activities for Transportation	\$300	0.0%

Businesses in the Professional, Scientific, and Technical Services industry again did the most business with the DoD and Department of Veterans Affairs in FY 2021 with about \$469 million in contract obligations (see Table 34). The Construction of Buildings industry was the second most-represented industry, with about \$112 million contract obligations. Companies engaged in the Heavy and Civil Engineering Construction industry received about \$87 million in contract obligations.

Table 34. Federal Contract Obligations by Industry (FY 2021)			
NAICS	NAICS Description	Total Dollars Obligated	Percentage
541	Professional, Scientific, and Technical Services	\$469,187,969	55.25%
236	Construction of Buildings	\$112,379,791	13.23%
237	Heavy and Civil Engineering Construction	\$86,998,550	10.24%
561	Administrative and Support Services	\$29,346,973	3.46%
611	Educational Services	\$19,153,811	2.26%
562	Waste Management and Remediation Services	\$17,126,786	2.02%
511	Publishing Industries (Except Internet)	\$15,004,474	1.77%
623	Nursing and Residential Care Facilities	\$14,702,065	1.73%
334	Computer and Electronic Product Manufacturing	\$11,665,528	1.37%
622	Hospitals	\$7,895,857	0.93%
311	Food Manufacturing	\$7,399,177	0.87%
337	Furniture and Related Product Manufacturing	\$6,131,147	0.72%
238	Specialty Trade Contractors	\$5,983,538	0.70%
811	Repair and Maintenance	\$5,301,791	0.62%
621	Ambulatory Health Care Services	\$4,948,176	0.58%
339	Miscellaneous Manufacturing	\$3,210,560	0.38%
221	Utilities	\$3,086,671	0.36%
517	Telecommunications	\$2,876,213	0.34%
532	Rental and Leasing Services	\$2,846,539	0.34%
333	Machinery Manufacturing	\$2,805,309	0.33%
332	Fabricated Metal Product Manufacturing	\$2,133,394	0.25%
722	Food Services and Drinking Places	\$2,123,576	0.25%
336	Transportation Equipment Manufacturing	\$1,887,545	0.22%
481	Air Transportation	\$1,577,298	0.19%
335	Electrical Equipment, Appliance, and Component Manufacturing	\$1,477,140	0.17%
315	Apparel Manufacturing	\$1,456,881	0.17%
488	Support Activities for Transportation	\$1,363,000	0.16%
324	Petroleum and Coal Products Manufacturing	\$1,330,152	0.16%
721	Accommodation	\$1,165,776	0.14%
624	Social Assistance	\$1,066,198	0.13%
492	Couriers and Messengers	\$794,754	0.09%
212	Mining (except Oil and Gas)	\$749,982	0.09%
325	Chemical Manufacturing	\$716,564	0.08%

423	Merchant Wholesalers, Durable Goods	\$467,571	0.06%
484	Truck Transportation	\$437,190	0.05%
331	Primary Metal Manufacturing	\$418,117	0.05%
493	Warehousing and Storage	\$353,455	0.04%
115	Support Activities for Agriculture and Forestry	\$224,724	0.03%
321	Wood Product Manufacturing	\$157,111	0.02%
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$154,888	0.02%
812	Personal and Laundry Services	\$150,848	0.02%
314	Textile Product Mills	\$134,458	0.02%
922	Justice, Public Order, and Safety Activities	\$93,294	0.01%
522	Credit Intermediation and Related Activities	\$85,000	0.01%
454	Non-store Retailers	\$80,045	0.01%
519	Other Information Services	\$71,164	0.01%
515	Broadcasting (Except Internet)	\$70,117	0.01%
312	Beverage and Tobacco Product Manufacturing	\$56,090	0.01%
531	Real Estate	\$55,713	0.01%
518	Data Processing, Hosting, and Related Services	\$49,115	0.01%
327	Nonmetallic Mineral Product Manufacturing	\$45,689	0.01%
444	Building Material and Garden Equipment and Supplies Dealers	\$37,616	0.00%
443	Electronics and Appliance Stores	\$32,442	0.00%
326	Plastics and Rubber Products Manufacturing	\$25,872	0.00%
316	Leather and Allied Product Manufacturing	\$21,061	0.00%
322	Paper Manufacturing	\$16,500	0.00%
711	Performing Arts, Spectator Sports, and Related Industries	\$15,065	0.00%
323	Printing and Related Support Activities	\$10,517	0.00%
512	Motion Picture and Sound Recording Industries	\$9,996	0.00%
213	Support Activities for Mining	\$8,698	0.00%
442	Furniture and Home Furnishings Stores	\$8,324	0.00%
446	Health and Personal Care Stores	\$7,587	0.00%
313	Textile Mills	\$20	0.00%
712	Museums, Historical Sites, and Similar Institutions	\$0	0.00%

Federal Contracting by Business

Next, researchers analyzed contracting data by business name. Again, businesses under consideration for this analysis are those that are designated as recipients of obligated federal dollars, and that have Nebraska as the recipient state and the primary place of performance. This analysis focuses on the top 25 businesses, as determined by the total dollars obligated to each business (see Table 25). The business with the largest action obligation amount in FY 2021 was Perspecta Enterprise Solutions (\$106 million). Other entities with considerable amounts of federal action obligations include; Metgreen Solutions, Inc. (\$87.5 million); Medvolt Construction Services (\$54.5 million); and Science Applications International Corporation (\$53.0 million).

Business Name	Total Dollars Obligated	Number of Awards	Mean Award
PERSPECTA ENTERPRISE SOLUTIONS LLC	\$105,966,479	123	\$861,516
METGREEN SOLUTIONS INC	\$87,531,765	102	\$858,155
MEDVOLT CONSTRUCTION SERVICES, LLC	\$54,480,536	1	\$54,480,536
SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	\$53,000,561	60	\$883,343
NORTHROP GRUMMAN SYSTEMS CORPORATION	\$39,756,426	95	\$418,489
GILBANE FEDERAL	\$24,084,387	5	\$4,816,877
MEDVOLT-KOMADA JV	\$17,521,500	1	\$17,521,500
VALIANT CONSTRUCTION LLC	\$16,958,731	1	\$16,958,731
WESTERN CONTRACTING CORPORATION	\$16,217,971	16	\$1,013,623
POVOLNY GROUP, INC, THE	\$16,041,945	7	\$2,291,706
RAYTHEON COMPANY	\$15,808,519	21	\$752,787
COVENANT RUSSELL LLC	\$15,063,064	2	\$7,531,532
SPIRAL SOLUTIONS & TECHNOLOGIES, INC.	\$13,515,154	5	\$2,703,031
BOOZ ALLEN HAMILTON INC.	\$12,274,100	33	\$371,942
CLIENT/SERVER SOFTWARE SOLUTIONS, INC.	\$10,428,632	24	\$434,526
NATIONAL STRATEGIC RESEARCH INSTITUTE	\$8,404,897	42	\$200,117
THMG, INC.	\$8,153,406	18	\$452,967
BAE SYSTEMS INFORMATION AND ELECTRONIC SYSTEMS INTEGRATION INC.	\$7,959,914	20	\$397,996
MCCALLIE ASSOCIATES, INC.	\$7,613,295	4	\$1,903,324
FLATWATER SOLUTIONS COMPANY	\$7,416,968	27	\$274,703
HDR ENGINEERING, INC.	\$7,253,375	16	\$453,336
LOCKHEED MARTIN SERVICES, INC.	\$6,352,880	10	\$635,288
PEERLESS TECHNOLOGIES CORPORATION	\$6,346,189	15	\$423,079
CACI, INC. - FEDERAL	\$6,300,932	9	\$700,104

Finally, analysts examined the extent to which contract dollars in Nebraska are awarded to small and disadvantaged businesses (see Table 36). With regard to the VA, a substantial proportion of contract dollars are obligated to Veteran Owned businesses, with over 80% of contract dollars being awarded to such entities. 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 \$70 million in contracts to Veteran Owned businesses in FY 2021.

Agency	Contract Obligations	% to Veteran Owned	% to Women Owned	% to Minority Owned
DEFENSE COMMISSARY AGENCY (DECA)	\$2,230,104	0.00%	0.00%	0.00%
DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS)	\$86,839	0.00%	0.00%	0.00%
DEFENSE HEALTH AGENCY (DHA)	\$2,523,520	30.45%	0.00%	0.00%
DEFENSE INFORMATION SYSTEMS AGENCY (DISA)	\$1,073,207	100.00%	0.00%	0.00%
DEFENSE LOGISTICS AGENCY	\$14,339,538	2.96%	12.02%	8.16%
DEFENSE MICROELECTRONICS ACTIVITY (DMEA)	\$1,621,054	0.00%	0.00%	0.00%
DEFENSE THREAT REDUCTION AGENCY (DTRA)	\$1,123,513	0.00%	0.00%	0.00%
DEPARTMENT OF THE AIR FORCE	\$456,926,370	15.40%	9.27%	13.01%
DEPARTMENT OF THE ARMY	\$173,413,216	10.20%	1.58%	46.22%
DEPARTMENT OF THE NAVY	\$25,246,427	57.07%	2.27%	8.55%
USTRANSCOM	\$171,000	0.00%	100.00%	0.00%
VETERANS AFFAIRS, DEPARTMENT OF	\$170,142,043	80.70%	0.20%	3.35%
WASHINGTON HEADQUARTERS SERVICES (WHS)	\$153,045	0.00%	17.50%	17.50%

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 2021. The Department of the Navy and the Defense Logistics Agency also awarded substantial proportions of awards to Minority Owned businesses in FY 2021.

6. 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) identifies key issues for states to address in order to improve the quality of life for service members and military families. Such policies are designed to enhance the well-being and economic health of military families which contributes to improved national security and to economic growth within states. More information about each of these policy areas can be found on the DSLO website: <https://statepolicy.militaryonesource.mil/about> Of note, DSLO's key issues do change from year-to-year (as delineated below)

Enhanced Military Spouse Licensure Portability (2022 and 2023)

As described by the DSLO, "Military spouses are disproportionately affected by state-specific licensure requirements that can cause delays and gaps in employment. States can streamline state licensing processes for relocating military spouses by providing them with a license within 30 days with minimal initial paperwork."¹²⁷ In 2021, the State of Nebraska addressed this issue through the passage of LB 390.

Military Spouse Occupational Licensure Access (2022 and 2023)

As described by the DSLO, "Accessing applications for military spouses is often a barrier to making use of the state laws that are designed to ease license transfer. States can reduce obstacles spouses experience when applying under state laws by posting easily accessible website content specific to military spouses."¹²⁸ In 2018, the State of Nebraska addressed this issue through the passage of LR 436¹²⁹ and the resulting "Transitioning Military & Military Spouse Occupational Licensure Study."¹³⁰

Licensing Compacts (2022 and 2023)

As described by the DSLO, "Many military spouse professionals must relicense each time they move to a new state with their active-duty spouse. States can facilitate the ability of professionals, including military spouses, to work across state lines by enacting occupational licensure interstate compacts."¹³¹ As of August 2022, the State of Nebraska has addressed 7 of 8 compacts identified by the DSLO to include the Nurse Licensure Compact, Emergency Medical Services Licensure Compact, Psychology Interjurisdictional Compact, Physical Therapy Licensure Compact, Audiology/Speech-Language Pathology Interstate Compact, Occupational Therapy Licensure Compact, and Licensed Professional Counseling Compact. The remaining sub-issue identified by the DSLO to be addressed is the Advanced Practice Registered Nurse Compact.

Purple Star Schools Program (2022 and 2023)

¹²⁷ Defense State Liaison Office, Key Message, Enhanced Military Spouse Licensure Portability. (August 30, 2022). Available: <https://statepolicy.militaryonesource.mil/key-issue/enhanced-military-spouse-licensure-portability>

¹²⁸ Defense State Liaison Office, Key Message, Military Spouse Occupational Licensure Access. (August 30, 2022). Available: <https://statepolicy.militaryonesource.mil/key-issue/military-spouse-occupational-licensure-access>

¹²⁹ LR 436. (March 27, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Intro/LR436.pdf>

¹³⁰ Office of Senator Sue Crawford, 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>

¹³¹ Defense State Liaison Office, Key Message, Licensing Compacts. (August 30, 2022). Available: <https://statepolicy.militaryonesource.mil/key-issue/licensing-compacts>

As described by the DSLO, “Military children experience many challenges as they relocate to new schools due to a parent’s change in duty station. By establishing statewide Purple Star Schools programs, states can encourage local education agencies to implement practices that assist military children with transitions/deployments and also recognize military service and civic responsibility.”¹³² In 2021, the State of Nebraska addressed this issue through the passage of LB 5.

Advance Enrollment (2022)

As described by the DSLO, “Military children are often limited in their school and course registration options due to the timing of military-directed moves. States can help by waiving proof of residency requirements until the student arrives in the new state on military transfer orders.”¹³³ In 2019, the State of Nebraska addressed this issue through the passage of LB 115.

Defining Armed Forces in State Policy (New for 2023)

As described by the DSLO, “Recent force structure changes require updates to ensure that states’ definitions of military service comport with federal law. States can minimize disruptions in benefits and services for eligible service members and dependents by clearly defining “armed forces.””¹³⁴

Open Enrollment Flexibility (2022 and 2023)

As described by the DSLO, “Military families are at a disadvantage when it comes to the enrollment options available to their children due to military-directed reassignments. States can provide military families with increased flexibility through access to district open enrollment policies.”¹³⁵

In-State Tuition Continuity (2022)

As described by the DSLO, “Military dependents may lose in-state tuition classification due to the timing of reassignments or changes to the service member’s military status. States can deem a dependent of a service member a resident despite changes in the service member’s military status following acceptance.”¹³⁶ In 2019, the State of Nebraska addressed this issue through the passage of LB 6.

Military and Family Life Counselor Licensure Waiver (New for 2023)

As described by the DSLO, “The state licensure process can be a barrier to providing timely mental health support to service members and families. States can provide a licensure waiver for military and family life counselors to allow for mental health care as needed.”¹³⁷

Child Abuse Identification and Reporting (2022 and 2023)

¹³² Defense State Liaison Office, Key Message, Purple Star Schools Program. (August 30, 2022). Available:

<https://statepolicy.militaryonesource.mil/key-issue/purple-star-schools-program>

¹³³ Defense State Liaison Office, Key Message, Advance Enrollment. (August 30, 2022). Available: <https://statepolicy.militaryonesource.mil/key-issue/advance-enrollment>

¹³⁴ Defense State Liaison Office, Key Message, Defining Armed Forces in State Policy. (September 15, 2022). Available: Point paper provided to the authors pending website updates.

¹³⁵ Defense State Liaison Office, Key Message, Open Enrollment Flexibility. (August 30, 2022). Available:

<https://statepolicy.militaryonesource.mil/key-issue/open-enrollment-flexibility>

¹³⁶ Defense State Liaison Office, Key Message, In-State Tuition Continuity. (August 30, 2022). Available:

<https://statepolicy.militaryonesource.mil/key-issue/in-state-tuition-continuity>

¹³⁷ Defense State Liaison Office, Key Message, Military and Family Life Counselor Licensure Waiver. (September 15, 2022). Available: Point paper provided to the authors pending website updates.

As described by the DSLO, “the Department of Defense has a statutory obligation to address child abuse and neglect within the military. States can assist the department by requiring local jurisdictions to identify military families and develop reporting and information sharing procedures between civilian child protective services and military child advocacy.”¹³⁸ 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.

Concurrent Juvenile Jurisdiction (2022 and 2023)

As described by the DSLO, “Juvenile misconduct on military installations subject to exclusive federal legislative jurisdiction is adjudicated in the federal court system, which is designed for adults. States’ juvenile courts can adjudicate juvenile offenses when concurrent jurisdiction is established between state and federal authorities over military installations.”¹³⁹

Ask the Question Campaign (2022)

As described by the DSLO, “State agencies may not provide referrals to service members, veterans and their families due to a lack of identification. State agencies can connect service members, veterans and their families with local, state and federal resources by asking the question, ‘Have you or a family member ever served in the military?’ on all intake forms.”¹⁴⁰ In 2020, the State of Nebraska addressed this issue through the passage of LB 755.

Licensure Exemptions for Military Family Child Care Providers (New for 2023)

As described by the DSLO, “In many cases, military family child care providers must be licensed or registered by the state in addition to the military. By exempting providers already certified through the military, states enhance the economic status of both the providers and families.”¹⁴¹

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 research¹⁴² and has a Task Force on Military and Veterans Affairs.¹⁴³

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

¹³⁸ Defense State Liaison Office, Key Message, Child Abuse Identification and Reporting. (August 30, 2022). Available:

<https://statepolicy.militaryonesource.mil/key-issue/child-abuse-identification-and-reporting>

¹³⁹ Defense State Liaison Office, Key Message, Concurrent Jurisdiction. (August 30, 2022). Available:

<https://statepolicy.militaryonesource.mil/key-issue/concurrent-jurisdiction>

¹⁴⁰ Defense State Liaison Office, Key Message, Ask the Question Campaign. (August 30, 2022). Available:

<https://statepolicy.militaryonesource.mil/key-issue/ask-the-question-campaign>

¹⁴¹ Defense State Liaison Office, Key Message, Licensure Exemptions for Military Family Child Care Providers. (September 15, 2022). Available: Point paper provided to the authors pending website updates.

¹⁴² National Conference of State Legislatures, Research. (2022). Available: <https://www.ncsl.org/research/military-and-veterans-affairs.aspx>

¹⁴³ National Conference of State Legislatures, Task Force on Military and Veterans Affairs. (2022). Available: <https://www.ncsl.org/ncsl-in-dc/task-forces/task-force-on-military-and-veterans-affairs.aspx>

educational institutions for military education and training.¹⁴⁴ On September 30, 2022, the Education Committee held a hearing regarding this matter.¹⁴⁵ Moving forward, it will be important to review the Education Committee's report and/or recommendations once it is available.

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.¹⁴⁶ The resolution was referred to the Government, Military and Veterans Affairs Committee on April 5, 2022.

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 554.¹⁴⁷ In August 2022, the Occupational Therapy Compact Commission held its inaugural Commission meeting and OT Compact Privileges to Practice are expected to be available in 2023.¹⁴⁸ Applications for Counseling Compact privileges to practice are expected to open in 2024.¹⁴⁹

LB 779 changed provisions regarding the tuition assistance program for the Nebraska National Guard.¹⁵⁰ Specifically, it removed the 10-year limitation to access State Tuition Assistance for members of the Nebraska National Guard. As of October 2022, 5 Nebraska National Guard members have benefited from this change since the July 21, 2022 effective date of LB 779.¹⁵¹

LB 843 changed provisions relating to elections to include provisions originally proposed in LB 841.¹⁵² 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."¹⁵³

LB 922, the Judiciary Committee omnibus bill, adopted the provisions of LB 990 through AM 2332.¹⁵⁴ 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 2022, there is no clear methodology for assessing the impact of this legislation.

LB 1011 made adjustments to the appropriations and reappropriations for state operations and aid programs in the current fiscal year ending June 30, 2022.¹⁵⁵ 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."

¹⁴⁴ LR 373. (March 28, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR373.pdf>

¹⁴⁵ LR 373, Education Committee Hearing Transcript. (September 30, 2022). Available:

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

¹⁴⁶ LR 388. (March 28, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR388.pdf>

¹⁴⁷ LB 752. (April 18, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB752.pdf>

¹⁴⁸ Occupational Therapy Licensure Compact. (August 30, 2022). Available: <https://otcompact.org/>

¹⁴⁹ Counseling Compact. (August 30, 2022). Available: <https://counselingcompact.org/>

¹⁵⁰ LB 779. (April 18, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB779.pdf>

¹⁵¹ Nebraska National Guard, Government Relations Specialist. (October 31, 2022). Email correspondence.

¹⁵² LB 843. (April 19, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB843.pdf>

¹⁵³ Nebraska Revised Statute 32-939. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=32-939>

¹⁵⁴ LB 922. (April 19, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB922.pdf>

¹⁵⁵ LB 1011. (April 7, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB1011.pdf>

LB 1012 provided for funds transfer, create funds, and change and eliminate provisions regarding funds and reimbursement provisions.¹⁵⁶ 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 55-901.¹⁵⁷ 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.¹⁵⁸

LB 1013 changed provisions related to the Cash Reserve Fund.¹⁵⁹ Nebraska Revised Statute 84-612, paragraph (8) notes “The State Treasurer shall transfer thirty million dollars from the Cash Reserve Fund

¹⁵⁶ LB 1012. (April 7, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB1012.pdf>

¹⁵⁷ Nebraska Revised Statute 55-901. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-901>

¹⁵⁸ 2022 Biennial Budget Report. (July 2022). Available: <https://nebraskalegislature.gov/pdf/reports/fiscal/2022budget.pdf>

¹⁵⁹ LB 1013. (April 7, 2022). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB1013.pdf>

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 (15) 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.¹⁶⁰

LR 1 expressed support for the United States Air Force to reestablish the United States Space Command headquarters at Offutt AFB.¹⁶¹ As of September 2022, Offutt AFB, Bellevue, Nebraska remains one of five reasonable alternatives to the preferred location (Redstone Arsenal, Huntsville, Alabama) for the permanent headquarters of the United States Space Command.¹⁶²

LB 4 changed the tuition credit provisions for the active Selected Reserve of the armed forces of the United States.¹⁶³ 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 2022, NDVA has approved 29 Selected Reservists for the Reservist Tuition Credit Program for calendar year 2022.¹⁶⁴

LB 5 adopted the Purple Star Schools Act.¹⁶⁵ 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 79-2804.¹⁶⁶ As of September 2022, the Nebraska Department of Education has recognized 33 Purple Star Schools in 8 School Districts across the State of Nebraska.¹⁶⁷

LB 14 adopted the Audiology and Speech-Language Pathology Interstate Compact.¹⁶⁸ This compact allows for a 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 September 2022, the

¹⁶⁰ Legislative Research Office, Veterans Benefits. (2021). Available:

https://nebraskalegislature.gov/pdf/reports/research/2021_veterans_benefits.pdf

¹⁶¹ LR 1. (February 1, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Intro/LR1.pdf>

¹⁶² 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/>

¹⁶³ LB 4. (March 17, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB4.pdf>

¹⁶⁴ Nebraska Department of Veterans’ Affairs. (2022). Email correspondence.

¹⁶⁵ LB 5. (April 16, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB5.pdf>

¹⁶⁶ Nebraska Revised Statute 79-2801. (August 28, 2021). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=79-2801>

¹⁶⁷ Nebraska Department of Education. (September 28, 2022). Available: <https://www.education.ne.gov/purplestar/recognized-purple-star-schools/>

¹⁶⁸ LB 14. (March 31, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB14.pdf>

Audiology and Speech-Language Pathology Interstate Compact “has been enacted into law in 23 states.”¹⁶⁹

LB 35 changed the membership provisions for the First Regiment Nebraska Volunteer Infantry at Fort Donelson Committee.¹⁷⁰ 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 based on the fact that the insured is deployed in the military.¹⁷¹ As of August 2022, 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.¹⁷² 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 2021, the Department of Motor Vehicles issued 243 Gold Star Family, 9 Ex-Prisoner of War, 1,388 Disabled American Veteran, and 750 Purple Heart license plates.¹⁷³

LB 261 changed the provisions regarding grave markers for certain veterans.¹⁷⁴ 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 September 2022, there is no clear methodology for measuring the impact of this legislation.

LB 313 changed the provisions relating to late applications for homestead exemptions.¹⁷⁵ As of September 2022, 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 Fund¹⁷⁶ as described in Nebraska Revised Statute 55-801.¹⁷⁷ As of September 2022, Offutt AFB, Bellevue, Nebraska remains one of five reasonable alternatives to the preferred location (Redstone Arsenal, Huntsville, Alabama) for the permanent headquarters of the United States Space Command.¹⁷⁸

LB 387 exempts 100% of military retirement pay from Nebraska income tax.¹⁷⁹ Specifically, an individual may exclude one hundred percent of the military retirement pay for taxable years beginning on or after

¹⁶⁹ Audiology and Speech-Language Pathology Interstate Compact. (September 2022). Available: <https://aslpcompact.com/>

¹⁷⁰ LB 35. (March 31, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB35.pdf>

¹⁷¹ LB 77. (March 17, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB77.pdf>

¹⁷² LB 78. (April 16, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB78.pdf>

¹⁷³ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (September 27, 2022). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

¹⁷⁴ LB 261. (May 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB261.pdf>

¹⁷⁵ LB 313. (May 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB313.pdf>

¹⁷⁶ LB 384. (April 26, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB384.pdf>

¹⁷⁷ Nebraska Revised Statute 55-801. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-801>

¹⁷⁸ 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/>

¹⁷⁹ LB 387. (May 25, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB387.pdf>

January 1, 2022. The estimated fiscal impact for FY 2022-23 is a revenue decrease of \$19,576,000.¹⁸⁰ As of December 31, 2021, there were 13,521 military retirees paid by the Department of Defense.¹⁸¹

LB 389 required the issuance of teaching certificates and permits to military spouses¹⁸² and led to changes to Nebraska Revised Statute 79-813.¹⁸³ Twelve military teaching permits have been issued between September 1, 2021 and August 31, 2022.¹⁸⁴

LB 390 provides for credentials based on reciprocity and changed requirements for credentials under the Uniform Credentialing Act.¹⁸⁵ As of September 2022, 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.¹⁸⁶ As of September 2022, there is no clear methodology for measuring the impact of this legislation.

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, 2022.¹⁸⁷ However, the passage of LB 387 in 2021 will supersede 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 153.¹⁸⁸ As of December 31, 2021, there were 13,521 military retirees paid by the Department of Defense.¹⁸⁹ On average, military retirees in Nebraska receive monthly payments of \$2,434, or \$29,208 annually, according to the FY 2020 United States Department of Defense Statistical Report on the Military Retirement System.

LB 450 changed provisions regarding the tuition assistance program for the Nebraska National Guard.¹⁹⁰ 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 October 2022, 4 Nebraska National Guard members have benefited from this change to pursue graduate degrees and 286 Nebraska National Guard members have benefited from the tuition assistance program during state fiscal year 2020-2021.¹⁹¹

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

¹⁸⁰ LB 387, Fiscal Note Revision 1. (March 22, 2021). Available: https://nebraskalegislature.gov/FloorDocs/107/PDF/FN/LB387_20210322-090134.pdf

¹⁸¹ DoD Office of the Actuary, "Congressional District Reports" (December 2021). Available:

<https://actuary.defense.gov/Portals/15/CONGDIST%202021%20v999.pdf?ver=jhNZL6GiBXjzvaqj6w3FeA%3d%3d>

¹⁸² LB 389. (March 31, 2021). Available: https://nebraskalegislature.gov/bills/view_bill.php?DocumentID=43747

¹⁸³ Nebraska Department of Education. (2022). Military Teaching Permit. Available: <https://www.education.ne.gov/tcert/teaching-certificates/teaching-military-certificate/>

¹⁸⁴ Nebraska Department of Education. (October 17, 2022). Email correspondence.

¹⁸⁵ LB 390. (April 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB390.pdf>

¹⁸⁶ LB 669. (May 21, 2021). Available: <https://nebraskalegislature.gov/FloorDocs/107/PDF/Slip/LB669.pdf>

¹⁸⁷ LB 153. (August 17, 2020). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB153.pdf>

¹⁸⁸ LB 153, Fiscal Note. (July 23, 2020). Available: https://www.nebraskalegislature.gov/FloorDocs/106/PDF/FN/LB153_20200723-142228.pdf

¹⁸⁹ DoD Office of the Actuary, "Congressional District Reports" (December 2021). Available:

<https://actuary.defense.gov/Portals/15/CONGDIST%202021%20v999.pdf?ver=jhNZL6GiBXjzvaqj6w3FeA%3d%3d>

¹⁹⁰ LB 450. (August 17, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB450.pdf>

¹⁹¹ Nebraska National Guard, Government Relations Specialist. (October 31, 2022). Email correspondence.

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?’¹⁹² The “Ask the Question” campaign was one of ten key issues promoted by the Defense-State Liaison Office in 2020.¹⁹³ As of September 2022, Nebraska was one of ten states to advance this policy issue.

LB 770 established a disabled veteran park entry permit through the Nebraska Game and Parks Commission.¹⁹⁴ 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 FY22.¹⁹⁵ 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, 2022, 1526 “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, 2022 is 5258.¹⁹⁶

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.¹⁹⁷ Specifically, the committee is be 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.¹⁹⁸ As of September 2022, the Nebraska Department of Veterans’ Affairs is working with the City of Grand Island to implement this law. 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.¹⁹⁹ 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 2021, 258 Pets for Vets license plates were purchased.²⁰⁰ As of September 2022, the program has provided financial support for 24 pet adoptions by veterans and has an estimated capacity of 40 additional pet adoptions under current funding and program limits.

¹⁹² LB 755. (August 15, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB755.pdf>

¹⁹³ Defense State Liaison Office. (September 2022). Available: <https://statepolicy.militaryonesource.mil/key-issue/ask-the-question-campaign>

¹⁹⁴ LB 770. (July 24, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB770.pdf>

¹⁹⁵ LB 770, Fiscal Note. (January 8, 2020). Available: https://nebraskalegislature.gov/FloorDocs/106/PDF/FN/LB770_20200129-125121.pdf

¹⁹⁶ Nebraska Game and Parks Commission. (September 2022). Email correspondence.

¹⁹⁷ LB 850. (August 6, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB850.pdf>

¹⁹⁸ LB 911. (August 6, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB911.pdf>

¹⁹⁹ LB 944. (August 6, 2020). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB944.pdf>

²⁰⁰ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (September 27, 2022). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

2019 Legislation

LB 6 changed residency provisions relating to persons on active duty and their dependents for college tuition purposes.²⁰¹ 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 2022, 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.²⁰² 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.²⁰³ As of September 19, 2022, no one has applied or qualified for the exemptions.²⁰⁴

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."²⁰⁵ 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."²⁰⁶ 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.²⁰⁷

LB 115 changed provisions related to enrollment of children of members of the military.²⁰⁸ It established the right for military families with orders to Nebraska to preliminarily enroll in a school district. As of September 2022, one school district near Offutt AFB reported that they have a number (in the single digits) of preliminary enrollments every year.²⁰⁹

LB 122 changed postsecondary residency requirements for veterans, family members, and other qualified persons receiving USDVA vocational rehabilitation.²¹⁰ 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,

²⁰¹ LB 6. (May 8, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB6.pdf>

²⁰² LB 12. (March 6, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB12.pdf>

²⁰³ Nebraska Real Estate Commission. (2022). Available: <https://nrec.nebraska.gov/licensing-forms/veterans.html>

²⁰⁴ Nebraska Real Estate Commission. (September 19, 2022). Email correspondence.

²⁰⁵ LB 112. (March 21, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB112.pdf>

²⁰⁶ Nebraska Revised Statute 38-117.02. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=38-117.02>

²⁰⁷ DHHS Division of Public Health and associated author analysis. (September 2022). Email correspondence.

²⁰⁸ LB 115. (March 7, 2019). Available: <https://nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB115.pdf>

²⁰⁹ Bellevue Public Schools. (September 28, 2022). Email Correspondence.

²¹⁰ LB 122. (March 7, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB122.pdf>

and tasks the Department of Veterans' Affairs to develop a website with a job-search tool.²¹¹ 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 website²¹² and was recognized with a "dotcom Gold Award."²¹³ In 2021, 19,788 Military Honor license plates were issued by the Nebraska Department of Motor Vehicles, which was an increase from 19,494 in 2020.

LB 152 codifies rights of Nebraska National Guard members and provides confidentiality of members' residential addresses.²¹⁴ 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 September 2022, there is not clear methodology for measuring the impact of this legislation.

LB 156 provides for the operation of former military vehicles.²¹⁵ As of September 2022, Nebraska Department of Motor Vehicle registration statistics for 2021 indicate 87 former military vehicle titles have been issued (76 trucks, 9 passenger vehicles, and 2 trailers).²¹⁶

LB 192 changed provisions relating to veteran designations on operators' licenses and state identification cards starting January 1, 2021.²¹⁷ 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.²¹⁸ The provisions in LB 192 do not determine veteran status for any other purpose. As of October 2022, there are currently 561 "Guard-Veteran," 253 "Reserve-Veteran," and 57,341 "Veteran" valid operators' licenses and state identification cards.²¹⁹

LB 223 provides a state-sponsored insurance program for members of the Nebraska National Guard.²²⁰ 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

²¹¹ LB 138. (May 8, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB138.pdf>

²¹² Office of Governor Pete Ricketts, Press Release, "Gov. Ricketts Signs Korean War Veterans Armistice Day Proclamation." (July 24, 2020). Available: <https://governor.nebraska.gov/press/gov-ricketts-signs-korean-war-veterans-armistice-day-proclamation>

²¹³ 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>

²¹⁴ LB 152. (March 12, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB152.pdf>

²¹⁵ LB 156. (March 21, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB156.pdf>

²¹⁶ Nebraska Department of Motor Vehicles, Searchable Data, Registration Statistics. (September 27, 2022). Available: <https://dmv.nebraska.gov/about/dmv-searchable-data>

²¹⁷ LB 192. (March 12, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB192.pdf>

²¹⁸ Nebraska Revised Statute 60-4,189. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=60-4,189>

²¹⁹ Nebraska Department of Motor Vehicles. (2022). Email correspondence.

²²⁰ LB 223. (March 12, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB223.pdf>

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.

LB 486 adopts the Veteran and Active Duty Supportive Postsecondary Institution Act.²²¹ This Act creates a state designation for college and university campuses in Nebraska that offer at least five out of eight specific criteria in regard to their veteran and active duty students.²²² As of September 2022, 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).²²³

LB 575 requires school district policies regarding the provision of information to and access by military recruiters.²²⁴ 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 2022, 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.²²⁵ 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.²²⁶ As of the end of August 2022, the current balance of the Site and Building Development Fund is approximately \$53.4 million recognizing that most of the funding is either under contract or has been obligated (offered) for specific projects. As of September 2022, no entities have requested access to the Site and Building Development Fund for initiatives to improve the military value of military installations.²²⁷

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.²²⁸ 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 901.²²⁹ As of September 2022, there

²²¹ LB 486. (March 21, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB486.pdf>

²²² Nebraska Revised Statute 85-2703. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=85-2703>

²²³ Nebraska Department of Veterans' Affairs. (2022). Available: <https://veterans.nebraska.gov/postsecondary>

²²⁴ LB 575. (March 21, 2019). Available: <https://www.nebraskalegislature.gov/FloorDocs/106/PDF/Slip/LB575.pdf>

²²⁵ LB 96. (February 14, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB96.pdf>

²²⁶ Nebraska Revised Statute 81-12,147. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=81-12,147>

²²⁷ Nebraska Department of Economic Development. (2022). Email correspondence.

²²⁸ LB 901. (April 17, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB96.pdf>

²²⁹ Nebraska Department of Transportation. (2022). Available: <https://dot.nebraska.gov/aeronautics/towers-tall-structures/>

have been no reported issues regarding encroachment at Nebraska National Guard flight training areas.²³⁰

LB 682 provides consumer protection and civil relief for service members, typically a right of early termination to service contracts (internet, television, phone services).²³¹ Nebraska Revised Statutes 55-701 to 55-704 implement these protections.²³² As of September 2022, 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.²³³ As of October 2022, the Department of Health and Human Services' Division of Developmental Disabilities has yet to receive a request for prioritized funding as outlined in LB 685.²³⁴

LB 731 adopted the Physical Therapy Licensure Compact.²³⁵ Nebraska has enacted legislation and continues "issuing and accepting compact privileges."²³⁶ In 2020, Nebraska accepted 59 Physical Therapist licenses and 12 Physical Therapist Assistant licenses from professionals in 13 different states.²³⁷ 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).²³⁸ Full implementation of the "Recognition of EMS Personnel Licensure Interstate Compact" or "REPLICA" occurred in March 2020.²³⁹ 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.²⁴⁰ As of September 2022, 57 Nebraska Licensed Psychologists are authorized to practice interjurisdictional telepsychology. For context there are 599 individuals who hold an active Nebraska Psychology license.²⁴¹

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."²⁴² 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

²³⁰ Nebraska Department of Transportation. (September 28, 2022). Email correspondence.

²³¹ LB 682. (April 11, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB682.pdf>

²³² Nebraska Revised Statute 55-701. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=55-701>

²³³ LB 685. (April 4, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB685.pdf>

²³⁴ Nicole Barrett, Nebraska Department of Health and Human Services. (October 20, 2022). Email correspondence.

²³⁵ LB 731. (April 19, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB731.pdf>

²³⁶ Physical Therapy Compact Commission. (2022). Available: <http://ptcompact.org/>

²³⁷ Nebraska Department of Health and Human Services. (2022). Email correspondence.

²³⁸ LB 1034. (April 23, 2018). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB1034.pdf>

²³⁹ Nebraska Department of Health and Human Services. (2020). Available: <http://dhhs.ne.gov/Pages/EHS-REPLICA.aspx>

²⁴⁰ Nebraska Department of Health and Human Services. (October 21, 2022). Email Correspondence.

²⁴¹ Nebraska Department of Health and Human Services. (September 28, 2022). Email correspondence.

²⁴² Office of Governor Ricketts. (2018). Available: <https://governor.nebraska.gov/press/gov-ricketts-approves-teacher%E2%80%99s-license-flexibility-military-families>

of Education.²⁴³ Twelve military teaching permits have been issued between September 1, 2021 and August 31, 2022.²⁴⁴

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.”²⁴⁵ The rule creates “Class 1-D” motion applicants at a reduced fee.²⁴⁶ As of September 2022, 5 Class 1-D applications have been successfully admitted to practice law in Nebraska.²⁴⁷

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.”²⁴⁸ 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.”²⁴⁹ As of September 2022, six temporary nursing licenses had been issued under the military spouse 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 2017.²⁵⁰

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.²⁵¹ In addition to initial employment, the hiring preference “is expanded to include a return to employment with any public government entity.”²⁵² As of August 2022, 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.²⁵³ As of September 2022, 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.

²⁴³ Nebraska Department of Education. (2022). Military Teaching Permit. Available: <https://www.education.ne.gov/tcert/teaching-certificates/teaching-military-certificate/>

²⁴⁴ Nebraska Department of Education. (October 17, 2022). Email correspondence.

²⁴⁵ Nebraska Supreme Court. (2018). Available: <https://supremecourt.nebraska.gov/nebraska-supreme-court-rule-allows-reduced-fee-military-spouses-seeking-join-nebraska-bar>

²⁴⁶ 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>

²⁴⁷ Nebraska Supreme Court Attorney Services Division. (September 19, 2022). Email correspondence.

²⁴⁸ LB 88, Introducer’s Statement of Intent. (February 15, 2017). Available at: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Sl/LB88.pdf>

²⁴⁹ LB 88. (April 25, 2017). Available: <http://www.nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB88.pdf>

²⁵⁰ Department of Health and Human Services. (September 20, 2022). Email correspondence.

²⁵¹ LB 639. (April 25, 2017). Available: <https://nebraskalegislature.gov/FloorDocs/105/PDF/Slip/LB639.pdf>

²⁵² Office of Governor Ricketts. (2018). Available: <https://governor.nebraska.gov/press/gov-ricketts-signs-major-veterans%E2%80%99-legislative-package>

²⁵³ LB 754. (April 18, 2016). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB754.pdf>

LB 919 established Veterans Treatment Courts.²⁵⁴ 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 2021.²⁵⁵ As of September 2022, the Douglas County Veterans Treatment Court had had 129 entrants since inception of which 26 are current participants and 59 are graduates. The Lancaster Veterans Treatment Court has had 35 entrants since inception of which 11 are current participants and 21 were graduates. The Central Nebraska Veterans Treatment Court has had 12 entrants since inception of which 7 are current participants and 0 are graduates. The Central Nebraska Veterans Treatment Court is serving veterans in Hall, Buffalo, and Adams counties since November 2021.²⁵⁶ Initial evidence suggests that the program has been a resounding success.^{257 258}

2015 Legislation

LB 109 changed the residency requirements for veterans, spouses, and dependents attending a public college or university in Nebraska.²⁵⁹ As of August 2022, 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.²⁶⁰ As of August 2022, there is no clear methodology for measuring its impact.

LB 264²⁶¹ 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.”²⁶² 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.²⁶³

²⁵⁴ LB 919. (April 18, 2016). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB919.pdf>

²⁵⁵ State of Nebraska Judicial Branch, Office of Probation Administration. (September 20, 2022). Research request.

²⁵⁶ 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

²⁵⁷ 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>

²⁵⁸ 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

²⁵⁹ LB 109. (February 26, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB109.pdf>

²⁶⁰ LB 219. (February 26, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB219.pdf>

²⁶¹ LB 264. (May 13, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB264.pdf>

²⁶² 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>

²⁶³ Nebraska DHHS Licensure Unit Services for the Military. (2022). Available: <http://dhhs.ne.gov/licensure/Documents/VeteransInfoBrochure.pdf>

LB 272²⁶⁴ created a voluntary veteran preference for private sector employers pursuant to Nebraska Revised Statute 48-238.²⁶⁵ As of September 2022, three employers have registered with the Nebraska Department of Labor.²⁶⁶

2014 Legislation

LB 987 created a partial exemption to military retirement benefits from Nebraska taxable income.²⁶⁷ The Nebraska Department of Revenue preliminary data for tax year 2021 indicates 711 returns leading to \$13,253,770 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 \$906,558. 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.²⁶⁸ 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 224²⁶⁹ created a preference for awarding state contracts to resident disabled veterans if all other factors are equal pursuant to Nebraska Revised Statute 73-107.²⁷⁰ As of August 2022, there is no clear methodology for measuring the impact of this state contract preference.

2011 Legislation

LB 575 enacted the Interstate Compact on Educational Opportunity for Military Children which took effect on July 1st, 2012.²⁷¹ 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 with regard to the state's participation and compliance

²⁶⁴ LB 272. (March 12, 2015). Available: <https://nebraskalegislature.gov/FloorDocs/104/PDF/Slip/LB272.pdf>

²⁶⁵ Nebraska Revised Statute 48-238. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=48-238>

²⁶⁶ Nebraska Department of Labor, Veterans Preference Employer Registry. (September 2022). Available: <https://www.dol.nebraska.gov/LaborStandards/VeteransPreference/EmployerRegistry>

²⁶⁷ LB 987. (April 2, 2014). Available: <https://nebraskalegislature.gov/FloorDocs/103/PDF/Slip/LB987.pdf>

²⁶⁸ Nebraska Department of Revenue. (2022). Email correspondence.

²⁶⁹ LB 224. (June 5, 2013). Available: <https://nebraskalegislature.gov/FloorDocs/103/PDF/Slip/LB224.pdf>

²⁷⁰ Nebraska Revised Statute 73-107. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=73-107>

²⁷¹ LB 575. (May 16, 2011). Available: <https://nebraskalegislature.gov/FloorDocs/102/PDF/Slip/LB575.pdf>

with the Compact.²⁷² Of note, the 2008 BRAC Task Force specifically encouraged the state to “explore the idea of joining the Compact” which is now in its tenth year of existence in Nebraska.²⁷³ As of January 2015, all 50 states and the District of Columbia have adopted the Compact. As of August 2022, the State Council had been an effective tool to support military personnel and families serving in Nebraska.

2010 Legislation

LB 279²⁷⁴ amended Nebraska Revised Statutes 14-407,²⁷⁵ 15-1103,²⁷⁶ and 19-923²⁷⁷ 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 or asked to address any military installation encroachment issues as of August 2022.

²⁷² Nebraska Department of Education, State Council on Educational Opportunity for Military Children. (2022). Available:

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

²⁷³ Nebraska Base Realignment and Closure (BRAC) Task Force. (2008). Available: <http://govdocs.nebraska.gov/epubs/L3745/B036-2008.pdf>

²⁷⁴ LB 279. (February 11, 2010). Available: <https://nebraskalegislature.gov/FloorDocs/101/PDF/Slip/LB279.pdf>

²⁷⁵ Nebraska Revised Statute 14-407. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=14-407>

²⁷⁶ Nebraska Revised Statute 15-1103. (2022). Available: <https://nebraskalegislature.gov/laws/statutes.php?statute=15-1103>

²⁷⁷ Nebraska Revised Statute 19-923. (2022). 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.

