

RELIEF & RECOVERY STRATEGIES

Securing Nebraska's Economic Recovery and Vitality During the Fight Against COVID-19

Like other states, the COVID-19 crisis is having a profound adverse impact on Nebraska's economy. Moreover, many public health considerations may continue to affect our state's business climate for months or potentially years to come.

As Nebraska moves toward a point of emerging from the height of the COVID-19 pandemic, business leaders and elected officials should focus on coordinated and deliberate strategies to maximize our state's economic recovery in a new environment.

To help resolve immediate return-to-work issues in the coming months, we are jointly promoting strategies that elevate workforce programs and increase regulatory certainty where possible. We also must not lose sight of the need to grow jobs and increase capital investment in Nebraska. Efficient action to authorize the ImagiNE Act and commit state support to the UNMC NExT project are vital to Nebraska's recovery.

Together, these strategies provide a strong foundation for further recovery work and economic growth. They leverage key opportunities for certain sectors as outlined in the [Blueprint Nebraska Report](#), and they offer businesses and employers enough certainty to rebuild and grow.

Business Liability Protections ***Setting All Businesses Up for Success***

The COVID-19 crisis has created a host of potential risk planning and mitigation issues for businesses seeking to bring employees back to work and provide products or services necessary to support our healthcare response. For our economy to get back to business, we need several key clarifications on this front. In conjunction with the U.S. Chamber and the National Association of Manufacturers, we will seek these clarifications in federal law.

Of paramount concern are claims based on allegations that employees, customers, patients, members of the public or others are negligently exposed to COVID-19 in a business operation or because of a business' action or failure to act that resulted in sickness. It is important to:

- Provide a safe harbor for companies following CDC or state/local health department guidance.
- Provide protection from inappropriate expansion of state tort and public nuisance claims expansion through procedural reforms and legislation.
- Provide employers appropriate guidance and medical form processes related to those employees with COVID symptoms or who have previously tested positive for the virus. Appropriate fitness for duty or return to work clearances from health care providers that help validate an employee's illness or return-to-work clearance would be helpful in determining whether the return of an employee poses a direct threat in the workplace or requires some form of reasonable accommodation.
- Provide liability protection for makers of certain products, devices, or equipment designed to protect against, treat, or test for COVID-19. Doing so is important for building the production capacity necessary for key PPE supplies.
- Expand federal PREP Act protections to include both additional categories of users and providers of essential countermeasures and products widely recommended as protective products, such as hand sanitizers and cleaning supplies.

RELIEF & RECOVERY STRATEGIES

Economic Development

Preserve and Expand Tools for Communities

From our vibrant metropolitan communities to our smallest communities steps should be taken to support the broad economic recovery of Nebraska's challenged businesses. These include:

Stimulus Priorities

- Use this time to recruit and develop a strong workforce by expanding apprenticeships, and customized workforce solutions; increasing funding for job training and providing scholarships for high-wage, high-demand, high-skill jobs.
- Identify and encourage the development of financial resources for targeted loans and grants to small businesses, entrepreneurs and startup companies.
- Advocate for additional flexibility for states and localities to utilize federal CARES Act support, allowing the state to fully serve the needs of individuals, families and businesses working to rebuild. Flexibility is needed to allow state and local governments to offset reduced revenues and provide tax and economic relief to individuals and businesses to help restore the local economy.
- Consider establishing entrepreneurship zones and innovation hubs to attract investment.
- Consider establishing a discretionary recovery fund with parameters focused on job retention and expansion; job training or reskilling that can be tailored to unique business needs to return them to full production and growth.

- Take this opportunity to reimagine and connect our places with vibrant and livable rural and urban communities. Nebraska must achieve widely available and high-quality access to broadband and wireless technologies to support remote work, as well as web-based health and educational opportunities. This deployment should focus on robust and scalable technologies, leveraging financial resources, and creating unique partnerships.
- Expand efforts to communicate and include diverse communities across the state in disaster and recovery efforts.

Ongoing Economic Development Priorities

- Enact Nebraska's modernized, mainline economic incentives bill (LB720) with key amendments right-sized for large and small communities, as well as manufacturers
- Support the UNMC NExT project to reinforce Nebraska's leadership in healthcare, research, technology and modern disease prevention and bring greater access to technology and healthcare across the state.
- Allow discretion and expanded flexibility for LB840 dollars and other funds focused on customized local initiatives such as revolving loans.
- Increase the research and development tax credit for businesses that expand and invest in Nebraska.
- Develop financial incentives to encourage the deployment of private investment in targeted industries and areas across the state.

Key Industry Opportunities

Finding Opportunity Amid Crisis

Our economic recovery will be led by our key industries as identified in the Blueprint Nebraska Report. These industries provide a significant economic opportunity versus our peer states. These industries provide a significant opportunity versus our peer states, which will be enhanced in a post-COVID crisis environment. For example, many analysts expect growth in repatriation of manufacturing operations and supply chains back to the U.S. Key industry opportunities include:

- Add targeted incentives to (a) encourage supply chain and new manufacturing expansion and development in Nebraska, (b) encourage investments in manufacturing automation in Nebraska, and (c) expand manufacturing research and development in connection with Nebraska's educational institutions.
- Provide workforce training incentives to recruit, retain, and upskill the next generation of manufacturing workforce in Nebraska.
- Add targeted incentives to attract pharma and medical supply companies and research to Nebraska, leveraging the state's transportation and logistics advantages, as well as higher education capabilities.
- Provide additional infrastructure planning and financing to create transportation hubs and inland ports where air, rail, and truck logistics intersect. Provide greater regulatory flexibility for this industry and create public/private partnerships for further technology developments.

RELIEF & RECOVERY STRATEGIES

Regulatory Certainty

Guarding Against Unnecessary and Unplanned Costs

The COVID-19 crisis raises several regulatory matters that require clarification or amendment.

State and Federal Tax Conformity

- Provide alignment with federal CARES act provisions for state income tax purpose of net operating carryback of losses.
- Conform provisions of federal CARES Act that reclassify qualified improvement property to make it eligible for 100% bonus depreciation or shorter depreciation schedule.
- Provide Nebraska businesses with clarification and guidance on relevant tax implications resulting from COVID-19.

Economic Incentives

- Provide Nebraska businesses that have pledged to invest in and increase the jobs the flexibility to fulfill those obligations under their economic development incentive agreements during this national emergency.

Unemployment Insurance

- Limit increased taxes on employers by utilizing federal CARES act dollars for state and local governments to replenish the unemployment insurance trust fund due to COVID-19.
- Make non-charge for employers a permanent policy for pandemics or national emergencies.

Regulatory Audit

- Provide for a regulatory waiver review process to consider making permanent any regulatory measures that were waived during the pandemic.

Ratification

- With the declarations of both a National Emergency and a State Emergency, several federal, state and local executive orders, agency waivers, grace periods and health directive measures have been issued. Federal, state and local modifications of or deviations from existing laws and regulations should be ratified or validated, where and when appropriate, by legislative bodies or regulatory agencies. Termination or other modification should give reasonable notice and time to ensure a smooth transition back to normal compliance and enforcement.

Personal Protective Equipment (PPE)

- As Nebraska returns to some sense of new normal, the need for additional personal protective equipment throughout all of private industry will be critical. Nebraska should remove barriers to the production of PPE, facilitate bulk order and access for private industry and provide liability protection to companies acting in good faith consistent with federal and state guidance.
- OSHA should be required to notify those businesses that must adhere to PPE requirements.
- Provide safe harbors or specific COVID-19 guidelines tailored for business operations (like administrative offices) that normally are not covered under OSHA-required exposure control plans, as well as PPE programs, assessments and certifications.