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**Capitol View**

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**Funds Sought for “Once-in-a Generation” Opportunity**

In the last 40 years, Nebraskans have been skeptical of major statewide economic development projects that promise to be the best ever.

Rightly so, based on the debacle of LB775 in the 1980’s aimed at keeping ag giant ConAgra in the state while giving away the farm with the promise of jobs that sometimes turned into computer and corporate jet purchases instead. The pushback was so strong that it cost Gov. Kay Orr a second term.

Gov. Ben Nelson was pretty cautious in the 90s. Nebraska lost out on attempts to land computer manufacturer Micron – the company owned by Mormons built instead in Idaho, a state with a large Mormon population. The company failed in 2008. Mercedes Benz also looked briefly at Nebraska but wound up building its manufacturing plant in Alabama, closer to the seaports. Imagine a Missouri River barge full of luxury automobiles, NOT.

Nelson did succeed in getting Illinois-based Caterpillar to build a joint farm combine manufacturing plant with German-based Claas-Lexion near Omaha. Combines probably make more sense. Other than that, really big projects have been almost invisible.

So, imagine why I’m a bit skeptical about Sen. Mark Kolterman’s LB1084 which he bills as the “once-in-a-generation opportunity.” He calls his plan to have the state provide matching funds to help secure a potential public-private hospital and training center at the University of Nebraska Medical Center “the largest economic development project in Nebraska’s history to date.”

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The senator from Seward says his bill would allow certain political subdivisions, including the University of Nebraska, to apply to the state Department of Economic Development for $300 million in matching funds. If approved and the money is appropriated, it could only be used for a project in which the applicant would invest at least $1 billion to carry out the requirements of a program done in partnership with the federal government.

Kolterman and University of Nebraska Medical Center Chancellor Jeffrey Gold told the Legislature’s Revenue Committee the $2.6 billion NExT project would position the university to have a facility that could treat patients affected by disease outbreaks or injured in biological, chemical or nuclear disasters. The overall project is part of the National Disaster Medical System included in the 2020 National Defense Authorization Act.

The state investment would only be triggered if funding conditions by the federal government and private donors are met, Kolterman and Gold said. The five-year program, managed by the U.S. Department of Defense, requires a report be submitted to the Committees on Armed Services of the Senate and House of Representatives within 180 days detailing “no fewer than five major aero medical transport hub regions” that could serve as a demonstration site.

Kolterman said the proposed matching funds would help Nebraska secure a potential project that would significantly expand UNMC, grow the state’s economy and strengthen existing partnerships with the federal government. He said UNMC has demonstrated a successful public-private partnership with the Fred and Pamela Buffett Cancer Center and the potential project would have even larger economic effects. He estimated an economic impact of $7.6 billion over the next decade and 33,000 temporary construction jobs to build a new hospital and training center and 8,700 permanent jobs. It would add $1.3 billion to the economy annually after it becomes fully operational.

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Nebraska made headlines six years ago as a place for Ebola victims and most recently as a quarantine site for people exposed to the coronavirus. Gold said the project would include a hospital with approximately 1,200 beds, some of which could be used during times of national emergency as well as infectious disease outbreaks. A proposed training center would increase the facility’s capacity to train health care professionals and students from around the world, he said.

He said it is critical to convince the federal government and the nonprofit sector that the state is a “capable partner” in the project. No one testified in opposition to the bill. Committee members did ask how crucial the state match was to the project and who would own the facility and how it would benefit the entire state. A representative of the Iron Workers Local 21 said he’d like to see assurances that the project will use Nebraskans to build it.

It takes big dreams to make big things happen. Let’s hope it doesn’t take snake oil to make it palatable.

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