



The University of Nebraska

Issue Brief

LB 605 – Deferred Maintenance Funding

The University of Nebraska is Nebraska’s only public university, offering high quality instruction, research and outreach. The University of Nebraska includes the University of Nebraska at Kearney, University of Nebraska-Lincoln, University of Nebraska Medical Center, University of Nebraska at Omaha, and the Nebraska College of Technical Agriculture at Curtis.

Background

In 1998, the Nebraska Legislature passed LB 1100, a deferred maintenance initiative allowing the University of Nebraska to issue revenue bonds to renovate or replace aging buildings on all four campuses. The bill authorized state general funds of \$5.5 million per year from FY 1999-00 through FY 2008-09, with one-to-one matching funds required from the university. Fourteen buildings have been renovated at a cost of \$79 million.

The University of Nebraska has an ambitious agenda of advancing the contributions it makes to the state in teaching, research and outreach. This agenda requires adequate and appropriate facilities.

University of Nebraska buildings represent over 70 percent of all state building assets, and it is a matter of good stewardship for the state to protect and invest in those assets. These are not merely cosmetic changes, but essential upgrades to facilities that will ensure safety and accessibility and support 21st century teaching and research.

Requested investment

LB 605 would require the state to invest an additional \$5.5 million a year in addition to the \$5.5 million already being invested through LB 1100. This proposal would support additional debt service of \$5.5 million for three years and \$11 million for 11 additional years from the state, combined with matching contributions of university matching funds, as shown in this chart. This would allow the university to undertake \$175 million in renovation and replacement.

	LB 1100		LB 605		State \$\$\$
	State Funds	NU Funds	State Funds	NU Funds	
2006-07	5.50	5.20	5.50	-	11.00
2007-08	5.50	5.20	5.50	-	11.00
2008-09	5.50	5.20	5.50	-	11.00
2009-10		5.20	11.00	5.80	11.00
2010-11			11.00	11.00	11.00
2011-12			11.00	11.00	11.00
2012-13			11.00	11.00	11.00
2013-14			11.00	11.00	11.00
2014-15			11.00	11.00	11.00
2015-16			11.00	11.00	11.00
2016-17			11.00	11.00	11.00
2017-18			11.00	11.00	11.00
2018-19			11.00	11.00	11.00
2019-20			11.00	11.00	11.00
2020-21				5.20	
	16.50	20.80	137.50	121.00	154.00

LB 605 projects

In addition to protecting the state's capital assets, this initiative is central to the university's missions of teaching, research and outreach. Investment in building renovation offers a proven return to the state of Nebraska, in terms of economic development or an improved ability to recruit and retain students and faculty.

Projects include:

Education

- College of Dentistry (UNMC)
- Library (UNO)
- Bruner Hall of Science (UNK)
- Utility Infrastructure (UNO & UNK)

Research

- Physical Science Center (UNL)
- Poynter, Bennett, Wittson (UNMC)
- Eppley Cancer Center (UNMC)

Engagement

- Keim Hall (UNL)
- Sheldon Memorial Gallery (UNL)
- Animal Science Complex (UNL)

Rational for timing

Competitive investment: Other public and private universities are making significant investments in facilities to support more aggressive recruiting efforts aimed at students and faculty. A strategic investment in competitive facilities will help keep Nebraska competitive.

Inadequate facilities to support research: Over the past three years, the University of Nebraska has been increasingly successful in seeking competitive research grants that bring in millions of dollars of outside funding and support hundreds of jobs. However, this source of funds will not continue at its current level if the university lacks adequate facilities including laboratory space and equipment, technology infrastructure and a safe, accessible, modern work environment.

Economic climate: After a period of severe budget cuts, the state of Nebraska is experiencing a period of economic stability. The time is right to invest in the infrastructure of the state's university.