



COVID-19 State and Federal Update
Wednesday, April 8, 2020

Nebraska State and Legislative Actions:

Governor Update

Gov. Ricketts began his Wednesday press briefing by declaring this Sunday a 'Statewide Day of Prayer.' He encouraged all Nebraskans to celebrate religious holidays with people in their own household this year and to continue to practice social distancing guidelines over the weekend.

SBA Loans

Jeff Kranger on behalf of First State Bank Nebraska joined Gov. Ricketts to provide updates on SBA loans. Kranger said that the chief loan officer at First State Bank was working at 4 a.m. on Saturday submitting small business loans. Kranger described the Payment Protection Program and said it will function on a quarterly system:

- First Quarter: Get applications, process loans
- Second Quarter: Getting money to businesses in order to rehire and continue operations
- Third Quarter: Receipts, track payroll
- Fourth Quarter: Submit documentation to obtain loan forgiveness

Q&A

Q: Why isn't Nebraska tracking recoveries?

A: Ricketts: Currently the state doesn't have the capabilities to track recoveries, however that could change in the future.

Q: Results from testing at the YRTC-Kearney?

A: Dr. Anthone: 162 tests were conducted Sunday, and nearly 100 more on Monday. So far only two staff members have tested possible. No residents have tested positive.

Q: Will Nebraska phase out on social distancing?

A: Ricketts: Yes, it will be a gradual process when it comes time to lift restrictions.

Q: Appropriations Chair said property tax relief can't be done because state revenues hurt by coronavirus recession. Do you agree?

A: Ricketts: It's way too premature to say whether or not the economic impacts of COVID-19 will impact property tax relief efforts.

SNAP Changes

On Tuesday Gov. Ricketts, alongside Child and Family Services Director for the Nebraska Department of Health and Human Services Stephanie Beasley, announced updates to SNAP in Nebraska. Here's the changes you can expect to see:

- Extending SNAP recertification periods by six months during the months of April and May.
- Providing emergency allotments to SNAP recipients, up to the maximum allotment per household, in April and May.
- Permitting able-bodied adults without dependents, who are subject to work requirements and are unable to meet these requirements, to be able to receive more than three months of SNAP benefits within a 36-month period.
- Waiving the requirement that DHHS do an interview for every case prior to eligibility determination for SNAP benefits.
- Extending eligibility periods for other financial assistance programs to align with the SNAP extension.
- Emergency allotments provided to SNAP beneficiaries will be loaded directly onto recipients' electronic benefits (EBT) cards.
- SNAP benefit recipients can use their EBT cards to purchase groceries online through vendors such as Walmart and Amazon. SNAP online delivery through Walmart is still being rolled out in Nebraska and is currently available in Norfolk and South Sioux City.

Update from Senator Stinner

The Platte Institute hosted a webinar Wednesday morning, where Senator and Appropriations Chairman John Stinner offered insight into the fiscal impacts of COVID-19 on our state budget. He began by saying he can't predict how long or severe the effects are going to be on Nebraska, as the situation is fluid and open to a lot of interpretation. Highlights from Senator Stinner:

- The financial impact from the COVID-19 outbreak could last 3 years in Nebraska.
- Property tax relief is likely off the table. Stinner said anything the Legislature could do in regard to property tax would likely have to be minimal, and certainly not a robust package like LB 947.
- We will likely have a better idea in November, once the forecasting board meets, of Nebraska's financial status going forward.
- The state hasn't passed budget adjustments for the remainder of the two-year budget. Those adjustments include almost \$62 million in flood relief, funds to the Lincoln Regional Center, Health and Human Services' needs, and homestead exemptions.
- Virus could possibly impact the growth of Nebraska Medicaid recipients.
- Rebuilding the state cash reserve will likely not happen due to coronavirus, however the state may make it through in decent shape if we avoid a deep recession and have flexibility with federal dollars.

Financial Impact Projections

Another Nebraska policy think-tank, OpenSky Policy Institute, released a report with projections on the fiscal impact of COVID-19. From the report: “States have continued to brace for decreased revenues and increased spending on public benefits whose utilization increases during tough times. Moody’s Analytics is expecting revenues to decline by a minimum of 10% for states and drop an average of 15% to 25%. The precipitous drop expected in state revenues factors in legislation passed by the federal government, which provides \$150 billion in aid to states and municipalities with more than 500,000 people, of which Nebraska is expected to receive \$1.25 billion for COVID-19-related expenses.”

You can read more from OpenSky [here](#).

Federal:

Congress

House Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer announced their additions to the proposed fourth phase of COVID-19 response legislation that would provide an additional \$250 billion in small business assistance. Pelosi and Schumer would like to see an additional \$100 billion for hospitals and community health centers, \$150 billion for state and local managing efforts, and a 15% increase in benefits for food assistance. The two would also like half of the \$250 billion for small businesses to go to businesses that are “community-based financial institutions,” which traditionally help minority and veteran owned businesses. With Pelosi and Schumer’s additions, the package is predicted to cost \$500 billion.

Republicans have yet to respond to the requests of Pelosi and Schumer, though Senate Majority Leader Mitch McConnell was hoping to approve additional relief on Thursday by unanimous consent. Read more on the proposal [here](#).