Recommended Investment of American Rescue Plan Act Funds in

WORKFORCE

Introduction

The Nonprofit Association of the Midlands partnered with Nebraska Children and Families Foundation, OpenSky Policy Institute, Nebraska Association of Behavioral Health Organizations, and Coalition for a Strong Nebraska to understand how we might meaningfully impact our community with American Rescue Plan Act (ARPA) funds. More than 300 nonprofit representatives, community leaders, and elected officials attended at least one of three roundtable discussions to co-create recommendations based on their working knowledge and expertise in five areas: Early Childhood, Food, Health, Housing, and Workforce. The following recommendations address Workforce.

Recommendations

1. **Develop a paid family and medical leave insurance program (LB 290).** Funding one-time administrative costs associated with a system of paid leave insurance is a critical investment in our workforce infrastructure. Paid family and medical leave insurance would provide businesses a means to support workers who are struggling to meet the needs of their families, maintain their job responsibilities, and remain in the workforce.

2. **Create a committee to analyze available relief** for the State of Nebraska, its citizens, and businesses. This study will be used to identify and prioritize continuing education needs of the state, its citizens, and businesses for the application of available relief.

3. **Develop a Nebraska Connected Youth Endowment Fund** for the youngest, most disconnected workers and workers who are entering the workforce for the first time or reskilling and upskilling to reenter the workforce in the future. Support must be increased so that our state’s youngest employees can make progress toward their education, career, and family goals. See detailed strategies below.

4. **Establish educational funds for certificate and tuition assistance** to fill high wage, high skill, high demand (H3) occupations statewide based on the Career Cluster Report.1 Examples include:
   - Certified Nursing Assistants fund to fill more than 1,500 positions statewide.
   - Registered Nursing fund to fill more than 1,600 positions statewide.
   - Information Technology fund to educate and employ more than 1,000 positions statewide.

5. **Create a pool of funds for employers** to provide matched tuition reimbursement and student loan repayment in H3 career fields up to $1,800 per employee, similar to LB69 Student Loan Repayment Tax Credit.

Background and Strategies

COVID-19 has had a tremendous impact on the Nebraska workforce. Infusing ARPA funds towards workforce issues will enable the following objectives to be addressed:

**Help people recover and advance** by equipping workers and learners with the knowledge, tools, and experience needed for career entry and advancement with a focus on underrepresented workers and communities.

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1 [http://h3.ne.gov](http://h3.ne.gov)
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Provide businesses with the necessary tools to support workers by providing family-supporting employment and skill-building.

Support the education and workforce development system by scaling and sustaining what works, encouraging innovation, dismantling inequitable structures, improving broadband infrastructure, and fostering collective action across systems to better match the skills and needs of workers, learners, businesses, and regional economies.

It is estimated that one in four young people will be disconnected from school/work due to the pandemic. Proposed strategies to support workers between the ages of 14 and 27 within the Nebraska Connected Youth Endowment Fund are:

• Develop a scholarship program for individuals, up to 27 years of age, working in low-wage, frontline jobs to enable education and training in industries deemed critical infrastructure during the pandemic as well as high-wage, high-skill, high-demand occupations. Scholarships would provide debt-free access to short-term credentials, postsecondary degrees, and other high-quality skill development opportunities and cover tuition and related expenses, e.g., transportation, housing, childcare, and basic needs.
• Increase funds for Nebraska’s Jobs for America’s Graduates (JAG) program.
• Submit a waiver to the U.S. Department of Labor for the Workforce Innovation and Opportunity Act (WIOA) youth program for out-of-school (OSY) youth to exempt youth involved in foster care, juvenile justice, and homeless systems from OSY requirements.
• Allocate funds towards existing transition-aged, youth coaching, and career navigation service infrastructure.
• Create a foster youth employment direct payment program, for employers who hire qualified foster youth at least 20 hours per week for a full year, towards $1,500 of gross wages paid to each foster youth. New Mexico has successfully implemented a similar youth employment program.²
• Establish funds for youth to obtain a driver’s license, including training and time behind the wheel, and access affordable insurance. This is a critical employment credential for the new workforce in Nebraska.