



Dear Governor Ricketts,

We write this letter on behalf of the Platte Institute to ask your administration to set an important precedent for financial transparency in state and local government, by creating a publicly-accessible inventory of federal funds being spent in Nebraska.

As you have noted, COVID-19 emergency federal relief funds allocated to Nebraska total \$10.8 billion. This sum is more than double the state's entire General Fund budget, and the way these tax dollars are managed and spent will have long-reaching impacts on governance in Nebraska.

We would like to commend your administration on selecting an outside auditing firm to oversee the relief process. Using proper accounting procedures is a wise investment for government at all levels, and your public-private partnership with Deloitte will ultimately help avoid errors and mismanagement that would be much costlier to taxpayers and policymakers in the years ahead.

Even before the pandemic, roughly 27 percent of Nebraska's budget was derived from federal funds. These funds are not free. Nebraska taxpayers are also federal taxpayers, and use of these dollars comes with maintenance of effort requirements that commit our state and communities to policy decisions that result in higher spending and ultimately a higher tax burden.

For these reasons, it is critical that the state and local governments exercise the utmost transparency in the use of federal relief funds, and that policymakers and the public be informed about the trade-offs when use of federal funding is proposed and enacted.

The Platte Institute asks for your administration to assure that the findings of Deloitte's audit be properly inventoried and published in a manner that is accessible for public review. This should be the standard for all federal funds allocated in Nebraska's state budget. Without this information, members of the Nebraska Legislature, the media, and the public will not have the ability to know with accuracy where tax dollars are going or what the policy ramifications of participating in federal grant and relief programs will be.

Establishing a public inventory for transparent use of federal funds in Nebraska would make an impact long beyond the current administration. As new governors and office holders are elected in our term-limited system, a federal funds inventory would promote proper stewardship of taxpayer dollars and help maintain Nebraska's record of fiscal prudence. Our team stands ready to assist your administration with this goal in any way.

Sincerely,

A handwritten signature in blue ink that reads "Jim Vokal".

Jim Vokal
Chief Executive Officer

A handwritten signature in blue ink that reads "Nicole Fox".

Nicole Fox
Director of Government Relations