

GROWING THE GOOD LIFE

Working to create a new standard of sustainable economic prosperity for all Nebraskans.

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PEOPLE. LAND. LOCATION.

These assets have always provided the foundation for Nebraska's success. Today, challenges, especially people-related challenges, threaten our ability to sustain this success. That's why business, community and economic development leaders have come together to create **Blueprint Nebraska**, a strategic plan to continue "growing the good life" for all Nebraskans in the years to come.

ECONOMIC CONTEXT

Nebraska has a rich history of success, powered by the state's most important assets: our people, our land, and our location.

Nebraska's success today is the direct result of the pragmatism, work ethic, and ingenuity of its people. While less densely populated than many states, Nebraska's 1.9 million dedicated people have shown they can build one of the strongest, most resilient economies in the country and even stronger, more resilient communities.¹

The state's labor market ranks among the most successful in the country. The unemployment rate stands at 2.9% — tied for #9 lowest.² Nebraska also has one of the highest labor market participation rates — 69.6%.³

A strong education system powers this labor market success. Nebraska ranks #6 among state education systems and ranks #4 in the country in high school graduation rates.⁴

Nebraska is also blessed with unmatched land resources that nourish our robust agricultural economy, which is our state's most specialized industry.⁵ Farms and ranches occupy about 91% of the land — 45.2 million acres. With nearly 23 million acres of rangeland and pastureland, Nebraska not surprisingly leads the nation in beef exports (\$1.26 billion).⁶

The state's crop and ethanol production are equally impressive. Nebraska is the #2 U.S. producer of hay, pinto beans, and ethanol.⁷ Across all states, Nebraska ranks #5 in total agricultural GDP — a gigantic feat considering that much larger states, California and Texas, rank #1 and #2, respectively.⁸

Nebraska's physical location at the heart of the continental United States makes it a natural business hub for the rest of the country, across many industries. Nebraska is a natural conductor for the flow of goods across the country. The state is within a two-day drive to major cities of the East Coast, West Coast, Mexico, and Canada.⁹



Home to the largest railroad in the nation and two of the top 10 trucking companies, Nebraska has long attracted companies seeking a strategic location near distribution channels.¹⁰ Today, Nebraska boasts one of the highest concentrations of Fortune 500 companies in the country.¹¹ Many of the largest financial and insurance companies in the U.S. have taken advantage of Nebraska's central time zone to connect with businesses across the country.

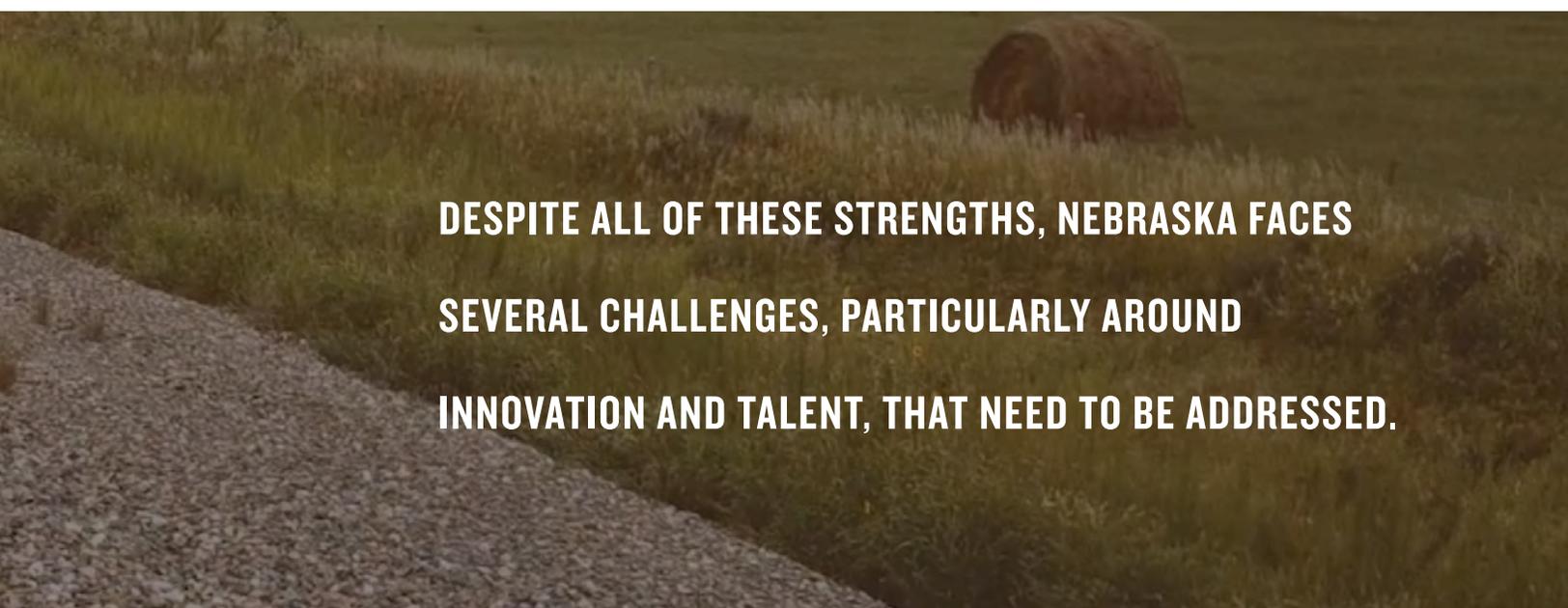
Despite all of these strengths, Nebraska faces several challenges, particularly around innovation and talent, that need to be addressed.

In recent years, Nebraska has not kept pace with peer states on fostering innovation. Innovation requires technological know-how and emboldened entrepreneurs. A strong labor market with STEM expertise is often a leading indicator of future success. In 2017, the share of STEM graduates in Nebraska's universities was low — ranking the state #36.¹² Nebraska ranked #35 in new entrepreneurs.¹³

Furthermore, Nebraska's venture capital funding remains low compared with the rest of the nation. Ranking #29 for venture capital deployed as a percent of GDP, Nebraska has one of the lowest startup densities in the nation.¹⁴ To remain a vibrant place for business, the state must create an environment that better enables entrepreneurs and their companies to succeed.

Nebraska also has difficulty retaining and attracting young talent. Ranked #39 among all states, Nebraska recorded one of the lowest growth rates (0.5%) for the population 25-29-years old, 2013-2018.¹⁵ Nebraska is losing people in the war for talent to other states. In 2018, the state lost about 3,300 residents to other states.³

We believe we have the assets and strengths to overcome these challenges. As anyone who has made Nebraska their home knows, our state offers outstanding quality of life at an affordable cost of living, with ample jobs for everyone across multiple sectors.¹⁶



**DESPITE ALL OF THESE STRENGTHS, NEBRASKA FACES
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60+

EVENTS

320

ADVISORS (INCLUDING AN ADVISORY
COUNCIL AND INDUSTRY COUNCILS)

2,000

PARTICIPANTS

275

COUNCIL MEMBERS WITH
SECTOR EXPERTISE

30

REGIONS

60

POTENTIAL INITIATIVES
IDENTIFIED

5,000

LOCAL RESPONDENTS

OUR VISION FOR THE FUTURE

To ensure that we harness our strengths to continue growing and address the challenges that threaten our growth, a group of business, industry, and civic leaders worked together to develop Blueprint Nebraska, a strategic plan aimed at creating a new standard of prosperity for all Nebraskans.

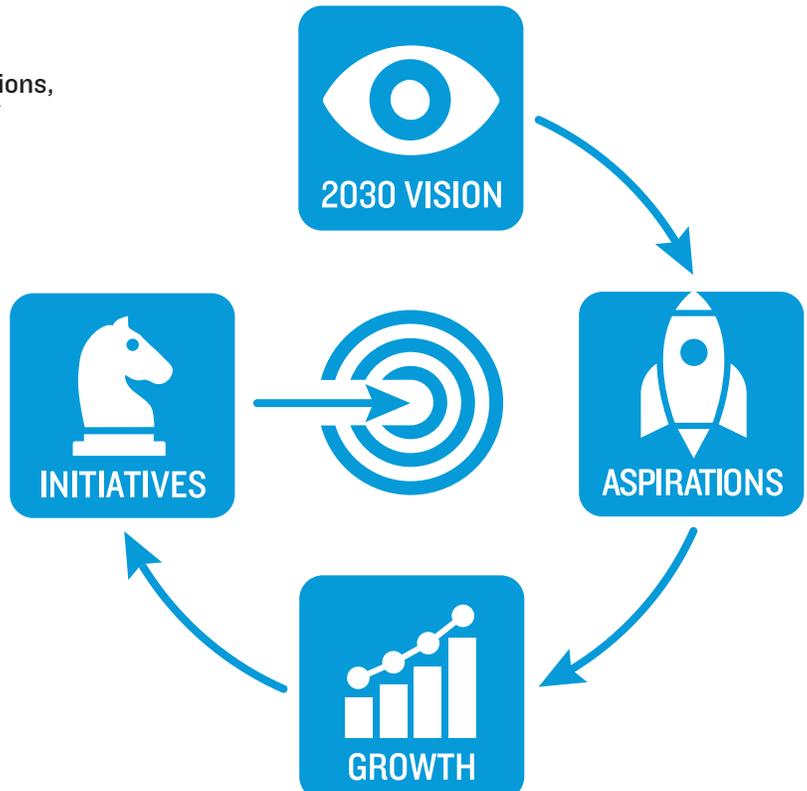
Since April 2018, Blueprint Nebraska has engaged local stakeholders in identifying the state's core challenges and charting a roadmap toward pragmatic, strategic initiatives that can shape our future. With the help of over 320 advisors — an advisory council, industry councils, and more than 275 council members with sector expertise — Blueprint Nebraska identified over 60 potential initiatives.

Based on community engagement and feedback, including more than 60 events with 2,000 participants across 30 regions of the state and a community survey of some 5,000 local respondents, we prioritized a portfolio of 15 initiatives that have the highest potential for broad and relatively quick impact. The remaining 45 initiatives easily fell into the category of supportive initiatives, extremely important in their own right, that will both gain from and contribute to the final 15.

All of this feedback generated a shared ambition for Nebraska's future that we translated into a vision for 2030, five aspirations, and four growth themes, all supported by the high-priority initiatives (Exhibit I). Later, as the project moves from planning to delivery, these high-priority initiatives and the resulting detailed tasks will be weighed according to individual business cases and overall prioritization, with an emphasis on remaining fiscally responsible, a trait that has served as both an asset and advantage to the Cornhusker State.

EXHIBIT I

2030 vision, aspirations, and growth themes¹⁷



OUR 2030 VISION

The blueprint defines our vision for 2030: **Growing the Good Life. Our people, land, and location will propel Nebraska to be the most welcoming Midwest state for youth, talent, investment, and commerce and a national model for continuous growth and prosperity.**

2 OUR ASPIRATIONS

Blueprint Nebraska translates this vision into five aspirations – goals we must meet to realize our vision.³

- | | |
|---------------------------|---|
| Jobs | Retain our workforce talent and prepare our workers for today's and tomorrow's jobs by leading peer states in overall job growth. |
| Quality of life | Provide high quality of life that makes Nebraska attractive to a qualified workforce by leading peer states in the quality-of-life ranking. |
| Young Population | Attract new residents to the state by leading peer states in building the population of 18-34 year-olds. |
| Income | Enable the creation of high-paying jobs for Nebraskans in high-growth sectors through productivity improvements by leading peer states in net, or cost-of-living-adjusted, median income growth. |
| R&D Investment | Accelerate the adoption of technology across industries and unlock innovation that creates growth by leading peer states in research and development (R&D) investment. |

³Peer states include: Iowa, Kansas, Minnesota, Missouri, North Dakota, Oklahoma, South Dakota, Wisconsin



3 OUR GROWTH THEMES

To achieve these aspirations, the strategic plan defines four growth themes, all supported by initiatives that the blueprint recommends implementing:



People

Powering our economy with people by retaining residents, attracting new Nebraskans, and tapping our universities to equip people with high-demand skills.



Places

Reimagining and connecting our places with vibrant and livable rural communities and metropolitan areas.



Government

Building a simpler, more efficient and effective government that helps make Nebraska one of the simplest, most cost-effective places to live, work, raise a family and start or grow a business.



Sectors

Growing our most promising industry sectors by developing high-wage, high-growth industries and boosting innovation.



4 OUR HIGH-PRIORITY AND SUPPORTING INITIATIVES

Executed in concert, these growth themes and the 15 high-priority initiatives will grow the good life promise to have significant, mutually reinforcing impact across the state (Exhibit 2).

Together, these initiatives will transform our state by 2030. In just one decade, these initiatives will:

- Create the best odds in the country of landing a good job and enjoying a good life.
- Give Nebraska the best mid-sized metro area transit; the most arts, culture, and recreation per capita; and the most vibrant rural main streets in the country.
- Make Nebraska the easiest place to live, work, raise a family and start or grow a business, thanks to the most efficient state government in the country.
- Build the agricultural technology hub of the world and make Nebraska the best place in the country to bring automation and other tech innovation to diverse industries.

In more concrete terms, by 2030, these initiatives will create 25,000 jobs and add \$15,000 to the annual income of every Nebraskan. The initiatives will make Nebraska a top 3 state in which to live and bring 43,000 new 18-34 year-old residents to the state. The initiatives will secure additional annual investment in R&D of \$200 million.³

We are proud to have united around a commitment to transform our state by implementing these 15 initiatives. While we have much work ahead of us, we should celebrate the achievement represented by the blueprint. Our cross-sector, cross-industry, cross-party, and cross-community commitment to, and alignment around, our collective future is unprecedented. Our blueprint can realize the potential created by our people, land, and location and meet the challenges that threaten growth in our state. We can create a new standard of prosperity for all Nebraskans.



EXHIBIT 2: Overview of Blueprint Nebraska’s initiatives and the aspirations they address.

Theme	Initiative	Jobs	Quality of life	Young population	Income	R&D
People	▪ Scale public-private partnerships that deliver internships, apprenticeships, and customized workforce solutions	✓	✓	✓	✓	
	▪ Revolutionize all educational segments from early childhood to career	✓	✓		✓	
	▪ Promote diversity and inclusion to retain and attract talent, and connect communities across the state		✓	✓		
	▪ Launch a “Choose Nebraska” campaign		✓	✓		
Places	▪ Rejuvenate our communities, town centers, and meeting places through targeted investments	✓	✓	✓	✓	✓
	▪ Increase rural broadband access and make our large and small cities national models for rapid 5G network scale-up	✓	✓	✓		✓
	▪ Expand Nebraska’s transportation connectivity	✓	✓			✓
	▪ Build an additional 30,000 to 50,000 achievable, livable housing units		✓	✓		
Govt.	▪ Realign Nebraska’s tax strategy to promote statewide economic growth and prosperity	✓		✓	✓	✓
	▪ Reimagine government services by improving business climate and citizen experience	✓	✓		✓	✓
	▪ Optimize Nebraska’s incentives strategy	✓			✓	✓
Sectors	▪ Diversify, expand, and improve the productivity of Nebraska’s agri-business cluster	✓			✓	✓
	▪ Build a pipeline of tech founders in sectors linked to Nebraska’s core industries by creating entrepreneurship zones and innovation hubs	✓			✓	✓
	▪ Create a multi-partner manufacturing innovation center of excellence	✓			✓	✓
	▪ Develop fintech, banking, and insure-tech partnerships	✓			✓	✓





POWERING OUR ECONOMY WITH PEOPLE

We propose to continue powering our economy with people by increasing the top talent in our state, keeping unemployment rates low, and leading the nation in PK-12 and higher education rankings, and continuing to make Nebraska a welcoming place for everyone.

This translates into four high-priority initiatives.

1. **Scale public-private partnerships that create more internships and apprenticeships per capita and customized workforce solutions than any state in the Midwest** to meet the needs of expanding and relocating companies.

This initiative will require increasing collaboration between business and education and building upon the work by our chambers of commerce, educational institutions and state agencies to develop public-private workforce partnerships. This initiative will unify and scale current efforts to create a model public-private partnership for the country.

When successful, this partnership will give our young people the best odds in the country of securing an internship or apprenticeship.

2. **Revolutionize all educational segments from early childhood to career, making Nebraska the nation's leader in lifelong learning and preparing people for the jobs of the future and prosperous careers in targeted growth sectors.** This initiative will require understanding the current situation (e.g., further developing the longitudinal data system), fostering collaboration between education providers and businesses, providing educational support and services (e.g., child care), and strengthening support for education (e.g., revising funding mechanisms and allocations).
3. **Expand our efforts to promote diversity and inclusion to retain and attract talent and connect communities across the state and make Nebraska the most welcoming state in the Midwest.** This initiative will require developing and delivering community exchange programs and diversity and inclusion leadership programs.
4. **Launch a "Choose Nebraska" campaign so that Nebraska leads the Midwest in attracting 18-34-year-olds.** The initiative will require conducting a survey to understand target audience preferences, identifying markets, increasing offerings (e.g., incentives and cultural opportunities), and conducting a recruitment campaign in the identified markets.







REIMAGINING AND CONNECTING OUR PLACES

We propose to reimagine and connect our places by maintaining a cost-of-living advantage, increasing social and civic engagement, and improving transportation and broadband connectivity within Nebraska and with the rest of the country and the world.

This translates into four high-priority initiatives.

- 1. Rejuvenate our communities, town centers, and meeting places through targeted investments (e.g., arts, entertainment, recreation, and community planning), creating the best places to live, work, raise a family and play in the Midwest.** This initiative will further empower community members to play an active role in revitalization and facilitating investment in communities' top priorities, which we know will include arts, entertainment, and recreation.
- 2. Increase rural broadband access, and make Nebraska's large and small communities national models for rapid 5G network scale-up to achieve a quantum leap in digital connectivity.** This initiative will require quantifying the opportunity to determine priority areas and appropriate technology, securing resources to finance the initiative, and expanding coverage, potentially by partnering with local ISPs, utility companies, and nonprofits to build out the network.
- 3. Develop one of the nation's leading inland logistics and industrial hubs, new East-West and international air services, and the nation's model for public transit in mid-sized metropolitan areas, making Nebraska the most connected state in the country.** This initiative will leverage our strengths in ingenuity, geographic location and transportation networks to help identify opportunities for developing partnerships in the public and private sectors.
- 4. Build an additional 30,000 to 50,000 achievable, livable housing units, making Nebraska the national housing model for coordinated public-private delivery of resources, community housing leadership, and housing affordability and sustainability.** This initiative will scale current state and regional initiatives and help local communities become more knowledgeable about public-private housing opportunities, housing incentives and innovative ways to improve housing affordability.



BUILDING A SIMPLER, MORE EFFICIENT AND EFFECTIVE GOVERNMENT

We propose to build a simpler, more efficient and effective government by continuing efforts to control government spending, expanding upon increases in government efficiencies, and realigning the state's tax structure and incentives strategy. This will make Nebraska a simpler, lower-cost place to live, work, raise a family and start or grow a business.

This translates into three high-priority initiatives.

1. **Realign Nebraska's tax structure to promote statewide economic growth and prosperity, making Nebraska the most competitive state in the Midwest.** This is a bold ambition, but a fiscally responsible and nimble Nebraska has great odds of revolutionizing tax burdens.

The initiative will require commissioning a nonpartisan study to reconsider tax policy with the goal of maximizing growth and opportunity for all and then introducing a "clean-sheet" tax program that will keep tax burdens as competitive, efficient, and equitable as possible.

2. **Reimagine government services through digitization, consolidation, and further elimination of red tape and waste, creating the most effective and cost-efficient state government in the Midwest.** This initiative will aim to build upon recent gains in state government efficiencies by identifying additional opportunities to transform, restructure, and digitize the provision of state and local government services. This will enable us to deliver more services with less and free up resources to fund our bold, high-priority initiatives (e.g., education and workforce, physical and virtual infrastructure, innovation and R&D).
3. **Optimize Nebraska's incentives strategy to motivate target growth sectors, making Nebraska's incentives program the most efficient in the Midwest.** This initiative will require developing a holistic incentives strategy that includes targets, priority sectors, and best practices to increase efficiency.



WILLOW

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GROWING OUR MOST PROMISING INDUSTRY SECTORS

We propose to grow our most promising industry sectors by increasing productivity, the number of entrepreneurs, and R&D investment in the state's economy, especially in high-tech sectors and in the most innovative parts of traditional sectors.

This translates into four high-priority initiatives.

- 1. Diversify, expand, and improve the productivity of Nebraska's agri-business cluster (e.g., ag-tech, food manufacturing, and machinery industries) to increase demand for production and to create additional global leadership in value-added, 21st-century agriculture.** This initiative will require investing in bio-based manufacturing, promoting research partnerships, and providing support services to stimulate investment.
- 2. Build a pipeline of founders in tech sectors linked to Nebraska's core industries — med-tech, ed-tech, design-tech, fin-tech and insure-tech, ag-tech, and transportation and logistics technologies — creating the Midwest's leading tech cluster of R&D and innovation.** This initiative will require building entrepreneurship zones and innovation hubs to attract investment (e.g., R&D and venture capital) and a tech cluster that will promote local entrepreneurship.
- 3. Create a multi-partner manufacturing innovation center of excellence, focused on Industry 4.0/automation, to make Nebraska the Midwest leader in next-generation manufacturing.** This initiative will require launching a venture capital investment fund, creating productivity incentives, and providing resources and technical support (e.g., infrastructure and training) to boost the adoption of advanced manufacturing technology.
- 4. Develop fin-tech, banking, and insure-tech partnerships that will strengthen and diversify the financial services cluster, making Nebraska the Midwest leader in financial innovation.** This initiative will require identifying a focus within fin-tech (e.g., reg-tech), attracting emerging companies in the space and fin-tech talent, and creating the right environment for the partnerships to flourish (e.g., collaboration spaces).

OUR PATH FORWARD

This strategic plan lays the foundation for growing the good life in Nebraska. We have taken a bold path in committing to 15 high-priority initiatives that promise to transform our state by 2030. But Blueprint Nebraska was born in response to a widespread and spirited call-to-action: ensure a better tomorrow. Only with continued collective efforts by public- and private-sector leaders can the state capitalize on its strategic assets of people, land, and location to build a brighter future for Nebraskans and their families.

To make our 2030 vision, aspirations, growth themes, and initiatives a reality, we need dedicated teams and detailed implementation plans. We need Nebraska's government, educational, business and community leaders committed to, and enthusiastic about, implementing the initiatives outlined in this blueprint to provide the necessary governance and processes for successful execution.

We will adopt a modified organizational structure to facilitate the shift from planning to delivery based on breakthrough delivery best practices. This new delivery system will include a modified Blueprint Nebraska Steering Committee, the Blueprint Nebraska Executive Director and staff, growth theme steering committees, and initiative owners and initiative teams.

We see four critical next steps to move from blueprint to reality:

- Establish and empower a “delivery unit,” a dedicated implementation team, to enable fast decision-making, foster collaboration across stakeholders, manage performance, resolve bottlenecks, and take corrective actions to get lagging performance back on track.
- Track and measure outcomes against detailed business cases, work plans and initiative-level key performance indicators (KPIs) to ensure the progress and success of our high-priority initiatives.
- Build the capabilities of key stakeholders and partners so they can assume key roles in implementation and lend their expertise to growing the good life in Nebraska.
- Communicate progress and impact to the business community and the broader public to create and sustain wide stakeholder engagement and enthusiasm.

We will sequence the rollout of our initiatives in three waves, beginning in Q4 2019, and will launch approximately five initiatives per quarter.

Everyone at Blueprint Nebraska is committed to achieving our vision and our aspirations. We recognize how lofty our goals are, and we know that dedication and collaboration will be critical. Together, we can build an even greater Nebraska.



FOOTNOTES

- ¹ U.S. Census Bureau, "Quick Facts," 2018
- ² U.S. Bureau of Labor Statistics, "Local Area Unemployment Statistics," 2019
- ³ Ibid
- ⁴ *U.S. News & World Report*, "Best States Rankings," 2019
- ⁵ Economic Modeling Specialists International (Emsi), "Industry Table," 2018
- ⁶ Nebraska Department of Agriculture, "Nebraska Agriculture Fact Card," 2019
- ⁷ Nebraska Department of Agriculture, "Nebraska Agriculture Fact Card," 2019; U.S. Energy Information Administration, "U.S. ethanol production capacity continues to increase," 2019
- ⁸ U.S. Bureau of Economic Analysis, "Gross domestic product (GDP) by state: Agriculture, forestry, fishing, and hunting," 2018
- ⁹ Google, "Google Maps," 2019
- ¹⁰ Nebraska Department of Economic Development, "Nebraska Transportation, Warehousing, Distribution, and Logistics Advantages," 2016
- ¹¹ Statista, "Number of U.S. companies listed in the Fortune 500 ranking in 2018, by state," 2018
- ¹² Economic Modeling Specialists International (Emsi), "Program Map," 2017
- ¹³ Kauffman Foundation, "Indicators of Entrepreneurship," 2017
- ¹⁴ National Science Foundation, "Science & Engineering Indicators 2018," 2018; Kauffman Foundation, "Indicators of Entrepreneurship," 2017
- ¹⁵ U.S. Census Bureau, "American Community Survey," 2018
- ¹⁶ Missouri Economic Research and Information Center, "Cost of Living Data Series First Quarter 2019," 2019
- ¹⁷ Moody's Analytics, "Data Buffet," 2018; Forbes, "Best States for Business," 2018; U.S. Census Bureau, "Historical Income Tables," 2017; Economic Modeling Specialists International (Emsi), "Industry Table," 2018; National Science Foundation, "Science & Engineering Indicators 2018," 2018

