

PRESIDENT JEFFREY P. GOLD, M.D.
OFFICIAL TESTIMONY

FROM THE UNIVERSITY OF NEBRASKA'S BUDGET HEARING



FEBRUARY 25, 2025

Chairman Clements, members of the Appropriations Committee, thank you for the opportunity to speak with you today. My name is Jeffrey Gold, and I have the privilege of serving as the ninth president of the University of Nebraska.

I come before you today with deep respect and a strong sense of responsibility. For 155 years, the University of Nebraska has been at the heart of our State's success—educating our students, driving innovation and research, and strengthening communities across Nebraska. As we look ahead, we must build on this long-standing and foundational partnership to ensure a future of opportunity, growth, and prosperity for all Nebraskans.

The University of Nebraska is more than an institution of learning—it is a cornerstone of our State. It is a place where individuals gain the skills and knowledge necessary to succeed in today's ever-changing world. It is a source of innovation, a catalyst for economic growth across Nebraska, and a deeply embedded anchor for the well-being of our communities, large and small. It is with a sense of purpose and commitment to the future of Nebraska that I present our budget request.

We are asking for a modest but essential 3.5% increase in state funding for the University's core operating budget for each year of the next biennium. This request, carefully considered and approved by our Board of Regents last August, aligns with our continued efforts to responsibly manage resources while addressing the rising costs that impact every corner of our campuses. This necessary investment will allow us to sustain high-quality, accessible education, attract and retain world-class faculty, and maintain research and workforce pipelines that will fuel Nebraska's economic success. The partnership between the University and the State has always been essential, and it will continue to be the foundation of our shared success. Without this investment, we face eroding our promise to Nebraska—to remain the key engine of opportunity and innovation for generations to come.

Let me be clear—as long as I have the privilege of serving as president of the University of Nebraska, we will never come before you with a request for more than we need. We are committed to doing everything we can to manage costs and increase efficiencies. For the past decade, we have continually sought ways to reduce spending and make difficult choices to ensure fiscal discipline—evidenced by over \$100 million in cuts and internal efficiencies. We prioritize data-driven, transparent decision-making and are working hard to innovate within the constraints we face. But at the end of the day, the funding we receive from the state is what allows us to fulfill our core mission—expanding access to high-quality education, preparing students for an evolving workforce, and driving research and creative activities that move Nebraska forward.



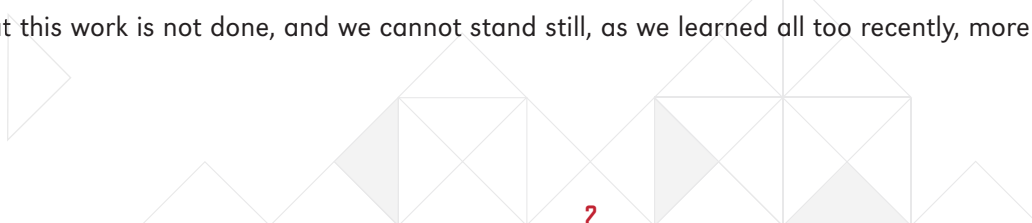
At the same time, we recognize that funding from the state is an investment—and we take that responsibility seriously. We have leveraged state support to create transformational opportunities, such as the Kearney Health Science Center and Davis Global Center, while simultaneously making targeted reductions to lower-priority programs. We will continue to make even harder choices in the months and years ahead to balance the goals of affordable, high-quality higher education with our state and federal budget realities.

Please know that the request before you is a reflection of a broader vision—one that is about more than just keeping the University running. This vision is about ensuring that the University of Nebraska continues to be a force for economic growth, innovation, and opportunity. We are an essential driver of Nebraska's economy, educating tomorrow's doctors, engineers, teachers, business leaders, farmers, ranchers, and scientists—professionals who will shape the future of this state. But we can't do this alone. Sustained investment is essential to maintaining excellence and ensuring that we are preparing Nebraskans for the state's workforce of tomorrow.

Right now, Nebraska is at a critical juncture, and the decisions we make today will shape the course of this State for years to come. Our state's future depends on a college-prepared, skilled workforce that can drive growth, economic vitality, and prosperity. That's why the work of the University of Nebraska is so important. We are not just educating students—we are preparing the next generation of leaders, innovators, problem-solvers, and yes, even future state senators and executives, who will drive Nebraska's most vital industries, including agriculture, healthcare, business, and technology. The University is a powerful engine for Nebraska's future, and with your continued support, we can do our critical part to ensure that Nebraska remains competitive and prosperous for generations to come.

The reality is that we already know that state investment in the University of Nebraska yields incredible dividends. We know definitively that when the State entrusts dollars to the University, those dollars are put to work—creating jobs, fostering innovation, and driving economic growth. For every new \$1 invested by the state, the University returns \$10 new in economic impact. That adds up to \$6.4 billion in annual economic impact last year, supporting 52,000 jobs and driving economic development in every corner of the state. This is not just a good investment—it's one of the best investments the State can make—and this sustainable economic impact creates far-reaching ripples, like a stone tossed into a pond across the country and around the globe.

The Tripp Umbaugh report, which is included in your materials, outlines these impacts in detail. But let me very briefly highlight several of those ripples. They include the children who come to Nebraska for life-saving intestinal transplant surgery from across the nation who no longer will depend on a feeding tube, the ranchers whose cow-calf enterprise has more than doubled productivity over the past decade, the bridges and highways in Nebraska that are safer and more durable for our children and grandchildren, the previously wheelchair-bound grandparents with Parkinson's who can now walk their granddaughters down the aisle, the countless corporate executives and founders of our philanthropic foundations who were uplifted from poverty by education, and yes, even the large number of the members of this legislative body and our state executives whose career and health has been positively impacted by your University. But this work is not done, and we cannot stand still, as we learned all too recently, more than a decade



after an audacious seven-year-old suited up to carry the football 67 yards across the Spring game goal line, has tragically lost his very personal battle with cancer, leaving all of us with profound grief and a mission to do more, to do better and for us to carry that very important ball across a very different goal line.

These impacts are happening right in your districts—no matter if you reside near the Missouri River or the front range of the Rockies. Right where we're sitting in Lincoln, the University plays a critical role in supporting local businesses, agricultural industries, and high-tech job creation. The Omaha region benefits directly from the University's investment in healthcare workforce expansion, particularly through Project Health at the University of Nebraska Medical Center. And the panhandle region sees over \$94 million in annual economic impact from the University, supporting almost 1,000 jobs—a testament to our reach across even the most rural parts of Nebraska. No matter where you are in the State, the University's impact stretches across all sectors, all populations, and all counties.

However, at this time the University faces multiple challenges that threaten our ability to sustain this impact. We're navigating complex issues like the rising cost of important but expensive state-mandated tuition waivers, the proposed elimination of the Nebraska Tobacco Settlement Biomedical Research Fund to the University of Nebraska, and the uncertainty in federal funding that will severely limit the scope of our research programs and their statewide economic impact. The increase in mandated tuition waivers, for example, has placed an ever-growing burden on our resources, with the cost of these waivers increasing nearly 50% last year, reaching almost \$6M, equivalent to roughly 1% of our state-aided budget. While we certainly support the intentions behind these waivers, this is simply unsustainable unless we find a way to balance these needs with the other demands on our resources.

At the same time, the proposed cuts to biomedical research funding threaten our ability to continue leading in fields like healthcare innovation, chronic disease reduction, and life-saving treatments. Biomedical research has long been a cornerstone of our mission and a point of pride for Nebraska. Every \$1 we invest in agricultural and human biomedical research results in a \$16 return to the State, significantly increasing our chances for recognition by the Association of American Universities. These investments improve the lives of Nebraskans, strengthen our economy, and elevate Nebraska's reputation.

There are also significant uncertainties looming in regard to federal funding, which are evident in recent policy changes that will impact our research and statewide outreach efforts. Specifically, the federal government has imposed new restrictions on the indirect costs we can charge for biomedical research grants, which are essential for maintaining our research facilities and infrastructure. These are not superfluous expenses but are critical costs of conducting world-class research. This abrupt change makes it even harder to maintain and expand our cutting-edge research programs. As a result, the University faces increased financial strain that necessitates strategic adjustments in how we allocate our precious resources. Further, it is estimated that for every million dollars cut from the support of research programs, the overall economic impact will decrease by twelve million dollars, and we will lose approximately 33 high-skill, high-wage, high-demand jobs. The overall economic impact rapidly becomes devastating. We are working diligently to navigate these changes, prioritize the most impactful programs and prevent job loss, but we cannot manage this alone.

The investments that our Board, the communities we serve, our future learners, and I are asking for

today are critical to Nebraska's future. They are not just about supporting the University—they are about securing tomorrow's workforce, economy, and quality of life for all Nebraskans. These investments will help us attract and retain talent, keep education affordable and accessible, and advance the research that will continue to propel the state forward. The future we envision for the University is one where it continues to be a catalyst for growth, a place of innovation, and a source of opportunity for every Nebraskan.

Part of this exciting future is the ongoing joint commitment to Project Health, which is the first step of several of what we call Project NExT, short for Nebraska Transformation. As you know, this is not a new initiative—it is the continuation of a commitment made by the State in 2020 to address Nebraska's critical healthcare workforce shortage. By reaffirming the State's investment in Project Health, Phase One of Project NExT, you are keeping that promise and that Nebraskans, no matter where they live, have access to high-quality, affordable care. Project Health is the first step, but the vision for Project NExT is much broader—it will create a sustainable and thriving workforce pipeline that meets the evolving needs of our State. This is a commitment to the well-being of Nebraskans, a critical driver of economic development, and an investment that will return benefits to the State for generations to come.

In closing, I think I speak for all of us when I say that we all hope the upcoming projections from the Economic Forecasting Board are favorable and hope that those that follow are even more favorable year after year. But hope is not a plan. The University of Nebraska has always been a trusted partner in the success of this state. By investing in us and with us, you are investing in every Nebraskan, in every community, across our state. With your support, we will continue our journey from excellent to extraordinary—ensuring that the University of Nebraska remains a beacon of opportunity, innovation, and progress.

Thank you for your time, your continued partnership, and your commitment to the future of Nebraska. Supporting documents that supplement my testimony can be found in the binders before you. I am proud to work alongside you and I look forward to the journey ahead. I look forward to suiting up and working alongside you as we carry that important ball down the field and across the goal line together—an outcome that is critically important to the future of our state. I am happy to answer any questions you may have. Thank you.

