

February 12, 1976

SENATOR FOWLER: LB 176, as amended, is to provide for a salary increase for state employees for this year and to indicate what the salary increase would be for 1977 and 1978.

It seems to me that in the past few years this Legislature and the Governor have not provided adequate salary increases to meet the cost of living. We've seen double digit inflation almost the last five years and our salary increases have not met that inflation. The state employees have lost, generally, about 29 percent in purchasing power over the last five years because we have not funded adequate increases. Nebraska used to rank 31st amongst states in average state employees salary. It's now dropped down to 44th. We are getting very close to the bottom in what we are paying our state employees.

This bill.... It's the first time, I know this session, that the state employees salaries have been discussed. This bill would call for an 8½ percent increase in employee wages, 8½ percent across the board. As I indicated before the rate of inflation, last year, was 8 percent.

The fiscal note is out of date because it applies to the bill before it was amended, it applies to the bill last year. I'd suggest you disregard the fiscal note. The information I have ... the fiscal impact is about \$5 million more than what is being discussed by the Governor and the Appropriations Committee.

I'd also stress that some people have said that this seems to be a statewide minimum wage, it is no such legislation, it deals with state employees salaries only.

I'd be glad to answer any questions people may have.

PRESIDENT: Any further discussion? The question is shall .... Senator Kelly.

SENATOR KELLY: Mr. President, I've been writing out an amendment to Senator Fowler's bill. The amendment would read to strike, in the amendment just attached to the bill, "and \$2.90 as of July 1, 1978". I would offer that amendment at this time and will bring it to the desk.

Mr. President, members of the Legislature. The purpose of the amendment is of this nature, that in 1976, with the situation that we're in economically with the unemployment depleted of its money, with taxes under severe pressure, with drought on the horizon, I do not have the wisdom to look into 1978. I do believe I have the ability to see 1976-'77. I would strike '78 out of Senator Fowler's bill and stay with the minimum wage in those years that we can tell. Let's take a look. In '78 it may need to be \$3.50 or it may be alright at the '77 rate.

PRESIDENT: You've moved your motion, Senator Kelly? Yes, alright. We're now on Senator Kelly's amendment. Senator Fowler.