

April 7,

LB 618

your first response why there was some rationale used, last year arriving at the percentage, nevertheless was a cap, this year the intent of the amendment and the bill now is to hold it flat. No increase and of course what comparison that one can draw when the session is over to growth in the budget, you know, remains to be seen. I assume that could be significantly different than what it is right now.

PRESIDENT: Is there further discussion on 618?

SENATOR NEWELL: If I could just. . . .

PRESIDENT: Excuse me, Senator Newell, I didn't mean to cut you off.

SENATOR NEWELL: It was a question I was asking Senator... I can appreciate, since I have not been the most aggressive this morning, that one might ignore me from time to time and that is okay.

PRESIDENT: It is not intentional of course.

SENATOR NEWELL: I understand. It is nothing particularly new. I guess I do have some concerns why we have decided that 3.75 is an appropriate level this year. I'm not sure that it is in fact an appropriate level. We have seen a substantial increase in the health care costs and with that in mind I think the level is inadequate so I am going to oppose LB 618.

PRESIDENT: Is there further discussion on 618? If not, Senator Warner.

SENATOR WARNER: Just so it is clear, Senator Newell, this is not a 3.75% increase over this year over last it is flat, no increase. Secondly I indicated that the state cost was seven million, if cost avoidance, \$7,454,000 and that is on the basis of 522 from last session not being implemented. If that is implemented, if it was fully implemented, then the cost to the state would be an additional \$2,357,000 of General Fund or substantially more. I do not know what is going to happen to what is it 604, depending upon how that is implemented that will affect whether the absence of this lid would increase cost to counties or to the state but it would obviously be reflected to one or the other two entities of government if a cap is not enacted. I move the bill be advanced.

PRESIDENT: Is there further discussion on the bill? All those in favor of advancing 618 vote aye, opposed vote nay.