

March 3, 1980

LB 817

SENATOR FOWLER: Senator Murphy, the fiscal impact will be whatever the Appropriations Committee chooses to appropriate for this bill which could be zero.

SENATOR MURPHY: What will be the Regents' recommendation to the Appropriations Committee?

SENATOR FOWLER: This year they are recommending what would be a 1% increase in salary benefits which I believe there is a difference as far as estimate of the cost but it would be around \$750,000 to \$1,000,000.

SENATOR MURPHY: This, of course, relates to increasing the state's contribution to the pension of teachers rather than to salary. Does it not?

SENATOR FOWLER: The University is suggesting that it improve retirement benefits as an alternative to raising salaries and, therefore, they have tied the two issues together suggesting a lower request for salaries and then making up the difference with an increase in retirements. So I don't think they are entirely separate.

SENATOR MURPHY: And under those circumstances, of course, we would remain ninth in the Big 8 for salary payment inasmuch as we were paying in lieu of that, pension funds. Is there any way of determining, quite honestly, Senator Fowler, what the fiscal impact of this will be year after year, assuming that the Regents who are quite good friends of the faculty, continue to expand...

SENATOR FOWLER: I'm not sure the faculty would agree with that.

SENATOR MURPHY: ...continue to expand such as their request this year for an additional 15%, a little over double what is being recommended for all others in the state, but is there any way of knowing really what this is going to cost the state five years from now?

SENATOR FOWLER: Senator Murphy, that will be totally up to this Legislature and the next Legislature and the next Legislature.

SENATOR MURPHY: I would disagree slightly with that but I will not quarrel with it. I simply make the point that we are turning the Regents loose to pay not less than they are paying as a 6% but that 6% limit that they have been bound by statutorily is now being removed so that they could recommend 7, 8, 9, 10, and down the road I am certain, there is no way of knowing what that will be. Mr. Speaker, I withdraw my motion.

7586