

it does reflect the fact that there is a cost of living increase and 1 percent is an attempt to, at least by that percentage, offset it. You all know that once you provide a benefit like that, the other groups that are out there will want to have the same sort of benefit and I am willing to do this for Omaha and support this change and make them the exception because I think that 1 percent for reflection of cost of living is a good concept. There is another bill before the committee to do that for all the retirement groups and it's effective, you know, for those other groups, but we haven't had a chance to act on it. I think you will eventually be raising this same point for all retirement groups and I want to raise a point now. I think a cost of living adjustment, 1 percent a year, is a fair thing to do. I have not been supportive of early retirement benefits because I think that runs counter to really being cost effective, but recognizing cost of living increases at the 6 and 7 and 8 percent levels that we've experienced has really left some people destitute over a period of time and their benefits are okay when they first start, but over a period of time they fall down to very low levels and then we have to come back in and adjust them upwards and it costs us a lot on an ad hoc basis to fund it. This is a far better plan to prefund the adjustment and recognize the need to reflect cost of living increases. So I support this change and I just wanted to tell you that it's a part of this bill but it's a factor that we ought to be supportive of.

PRESIDENT: Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the body, I, personally, am having a difficult time with LB 215 and I'm sorry to some extent that it's on the consent calendar and I guess I'm also sorry that I've not been visited by members of the Omaha Education Association or the Omaha school administration about this bill because the bill does represent, does reflect changes to a retirement policy which could ultimately cost the taxpayers or the citizens of Omaha a fair chunk of money and in addition, as Senator Wesely points out, could result in a new policy for the State of Nebraska which will end up costing the taxpayers of the State of Nebraska a fair chunk of money. The first thing that I noted in this bill was that the Omaha school system and the Omaha teachers have agreed that all retirees from and after a certain date shall have their retirement benefit increase 1 percent annually, irrespective of whatever