

as I claim is more businesslike, more oriented to saving money? Well Westside School District, in fact, employed somebody to check this very thing out, not just anybody, but the Westside Community Schools had an actuarial study prepared for them by the firm Mammel, Schropp, Swartzbaugh, Engler and Jones and of course, as some of you know, that's one of the major firms in Omaha, and here is what they did. That study's actuarial assumption was simply this. That 50 percent of those retiring would, in fact, be replaced by new hirings and that those new hirings would, in fact, be at lower salaries than the one that was retiring. I think that's a very conservative assumption, very conservative, but even using that assumption, that study showed that the cost savings to that district, Westside School District, under this formula would be \$795,000 in just seven years. I repeat, when you deal with retirement you can't just pull one string, you have to look at the entire picture and if you replace somebody that is costing \$29,000 a year with somebody costing \$19,000 a year, there are significant savings from that perspective. That's the other string or the other piece you have to look at. That's what the bill does. So I would urge adoption of the amendment. I think it is a very economical way to provide better incentives to bring in new teachers and to use an old worn out phrase, to maybe get rid of some of the dead wood at the appropriate time and to put them on a retirement system that can compensate them adequately rather than artificially keeping them in the system at incredibly high salaries. So I would urge adoption of the amendment.

SPEAKER NICHOL: Senator Landis, then Senator Remmers.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, Senator DeCamp, prove it, prove it. Prove the assumption. I understand the notion that you can take a higher wage employee and put them out to field and get a younger employee at a less salary, but there is a loss of productivity, there is a training cost involved, there is a learning curve that has to be overcome and I don't know that this body can be assured that our productivity for public tax dollars increases at all. And one of the reasons I don't know is because I haven't had a public hearing on this amendment. I haven't had to ask anybody that question. Nobody stood before the rest of us and had these questions asked at them and answered them for us and without a public hearing I don't know whether the assertions that Senator