

the last readout, so to speak, the last readout on the early retirement program for educators because the Governor will sign the bill. He has announced that this weekend.

SPEAKER NICHOL: Senator Wesely. I have seven lights on, Senator Wesely.

SENATOR WESELY: Yes, I will be very brief. You have been through this before on both General and Select File. Senator Johnson on General File and myself on Select File, we tried to amend the bill. We tried to come to a compromise. I offered a 5 percent reduction then for the first three years and then 10 percent for the last two years of a five year retirement plan that would start at 60. We tried to offer that and we offered social security reduction and we didn't get anywhere. So I am a little reluctant to stand here again and try once again knowing probably that the votes aren't there, but Senator Johnson has inspired me once again to raise the issue. The issue is this. This would be the second break in terms of early retirement. The first break was when we allowed the Omaha schools to go to 62 and have a reduced benefit but still a better...well, actually they have a full benefit down to 62. That broke the precedent but that was before we were knowledgeable about retirement benefits. That was before I got elected Chairman and changed around and started saying that early retirement wasn't such a good idea, and all of a sudden you started to find out some things about the cost. And since that time we have not allowed judges or anybody else to get any further early retirement benefits. That one exception is there. If you go down this path and allow this additional retirement benefit to the school employees, as Senator Johnson said, you can expect the Omaha school people to be in next year, and how can you turn them down. And then after that, you have got the other districts coming in, the other types of funds out there with the different employees, and they will be back and they will have legitimate grounds in which to ask for this benefit as well. So, clearly, as Senator Warner has done when he has stood up and said this is what you are going to do, you are going to start by giving this benefit here, a request for the benefit over there, and the cost if going to mount. So despite the cost of almost 60 million that is associated with this one item, you have got to factor in all the other retirement plans and all the other efforts that will come afterwards that this will break the ground for. And, again, the cost of this is about \$57 million in unfunded liability that will immediately accrue when this bill passes that will have to then be paid back over a period of