PRESIDENT: The committee will escort the Governor out of the Chamber. We will have introduction of the bills after which we will stand at ease until we can get them...the committee can reference them. Go ahead, Mr. Clerk, with the introduction of bills.CLERK: Mr. President, new bills. (Read LB 1 and 2. See page 8 of the Legislative Journal.)

PRESIDENT: Before we stand at ease the Chair recognizes Senator Beutler for an introduction. Senator Beutler.

SENATOR BEUTLER: Mr. President, I'd like to ask the privilege of introducing to the legislative body a couple of visitors from Somalia who we have the privilege of entertaining in our state this year, Brigadier General Mohamed Sheikh Osman in the far north corner and he is accompanied by his son, Maikal Mohamed Sheikh Osman.

PRESIDENT: Welcome to our distinguished visitors to the Nebraska Unicameral Legislature. And the Legislature will now stand at ease until the Referencing Committee has completed its task.

EASE

PRESIDENT: The Legislature will come to order. The Clerk will give us any messages on the desk and read any reports. Mr. Clerk.

CLERK: Mr. President, first of all I have a reference report from the Reference Committee referring LB 1 and 2 directly to General File.

I have a notice of hearing from the Revenue Committee, an informational hearing scheduled for next Monday and Tuesday. The Appropriations Committee will hold an informational hearing as well, Mr. President, on next Monday and Tuesday.

Mr. President, new bill, LB 3 offered by Senator Koch. (Read LB 3 as found on page 10 of the Legislative Journal.)

PRESIDENT: Anything further on the desk, Mr. Clerk?

CLERK: Nothing further, Mr. President.

PRESIDENT: The Chair recognizes Senator Lamb.

SENATOR LAMB: Mr. President, I move that the body adjourn until 10:00 a.m., November 8, 1982.

PRESIDENT: The motion is to adjourn until Monday, November 8 at 10:00 a.m. All those in favor signify by saying aye, opposed nay. We are adjourned until Monday at 10:00 a.m.

to do this, and if there is a problem, Governor, please open her up and let's address it." Yes, he could do that. So it is a suggestion. I know I haven't lobbied one person here for a vote but I do think it is so important and I don't know how you are ever going to get these things done. If twelve years in a row we couldn't repeal the sales tax on food, don't think it is going to happen magically next year. If twelve years in a row we haven't been able to do anything on the taxing of utilities, somehow I don't think it is going to happen. I think this is your chance to say we are ready to meet the dangerous opportunity and do the responsible thing. Now, I repeat, I know there probably aren't anywhere near enough votes but maybe a few of you ought to vote just to signal to the Governor and to each other that we do want to address this in a more responsible way than simply astronomical tax rates. We would rather have a tax decrease in the rates, so on and so forth.

SENATOR LAMB: The question is, shall the Chair be overruled? This requires a majority of those present to overrule the Chair. The Clerk informs me that nine Senators are excused which leaves 40, therefore, it takes 21 votes to overrule the Chair. Those in support of overruling the Chair will vote aye, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Have you all voted? Record.

CLERK: Mr. President, Senator DeCamp requests record vote. (Record vote read. See page 47, Legislative Journal.) 10 ayes, 29 nays, Mr. President, on the motion to overrule the Chair.

SENATOR LAMB: The motion fails.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR LAMB: Senator Carsten, do you care to move to advance the bill?

SENATOR CARSTEN: Mr. President, members, I move that LB 2 be advanced to E & R Initial.

SENATOR LAMB: The motion is to advance the bill. Those in support vote aye, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Have you all voted? Record.

CLERK: 27 ayes, 8 nays, Mr. President, on the motion to advance the bill.

SENATOR LAMB: The bill is advanced. Next on the agenda is LB 1. Mr. Clerk.

CLERK: Mr. President, LB 1 introduced by Senator Lamb at the request of the Governor. (Read title). The bill was first read, Mr. President, on November 5 of this year. It was referred directly to General File.

SENATOR LAMB: The Chair recognizes Senator Warner to discuss the bill.

SENATOR WARNER: Mr. President, members of the Legislature, I have had an opportunity to visit with some of you but unfortunately not with all, but when we were just down in the Appropriations Committee, we also discussed the idea. We are still in session trying to see if we can get an consensus or agreement within the committee as to a possible solution for the entire issues before us, and when I say "the entire issue", I am thinking not only the '82-'83 budget but the things that we need to take into account for '83-'84 budget next year as well so that we can have a consideration for both aspects. I would be hopeful that by noon the committee position will be either resolved or beyond resolving, but in any event, we will know what that action can be. You will then know what that action is. It will be available in summary form so that you will have today or in the evening to review and look at what you feel might be a better alternative and also provide the staff time to draft appropriate amendments where necessary to be presented, and then present those on Select File. That I would, Mr. President, move that LB 1 be advanced to Select File with the understanding that the specific proposal, if any, that comes from the Appropriations Committee, and I sincerely believe that we will have one, but then that be taken up on Select File in essence tomorrow, and in essence we can have one argument to try and resolve the issue, but in addition you will have at least overnight plus the afternoon to look at what the committee may recommend or suggest and develop whatever alternatives you want. The only other thing I would suggest to you is that the figures you have to start with is what is the shortfall in terms of receipts through June 30th that you feel is correct. As you know Mr. Leuenberger's figures yesterday depending on whether you used Chase or DRI, the minimum shortfall under Chase was $38 million, the maximum shortfall under DRI, which is generally more conservative as far as the economy is concerned, was in the vicinity of $67 million, I believe it was, and somewhere in between those two ranges is the place to set and we have not as yet in the committee, we have been discussing it for the first hour, have not developed a consensus there, but as soon as we do, that is the place that we have to start, and I think each of us in our own minds have to start at that point, and then there is a number of things that, of course, decisions that lead from there. So with that explanation, Mr. President, if there is other discussion that people would like to make relative to the budget bill on the general philosophical bases, that certainly would be I assume appropriate today. Tomorrow I would hope that we could deal solely with the hard decision of dollars figures where the cuts are going to be, what the ramifications of not doing them are going to be, and go from there. So with that explanation, Mr. President, I move the bill be advanced.

SENATOR LAMB: We have no other lights on at this point. Senator Higgins.

SENATOR HIGGINS: Mr. President and colleagues, the only reason I put my light on is because Senator Warner said that he would prefer any philosophical questions or remarks be made today rather than tomorrow. So that is what I am rising for. I wish you would all look towards me and see this pile that I just dropped. I don't know how many publications there are that we receive from the University of Nebraska at Lincoln, the University of Nebraska at Omaha, the University of Nebraska Medical Center but it is tons and tons of wasted printed material. Now I am not saying I am not going to go along with budget cuts but what I do resent is when the University people get up and say, well, the first thing we are going to have to do is get rid of employees. Now, Senators, those of you who are not familiar with Omaha, the University of Nebraska in Omaha is about ten minutes from the University of Nebraska Medical Center and they each have their own printing shop. This is an article UNMC put out in their own weekly publication about their magnificent printing shop. I am going to give you just a few excerpts from it in order to show you how unimaginative these college educated people who are running our Universities are. They say the first thing to go is going to be employees. Now remember this is written by the Medical Center's own print shop manager. Could I have a little quiet please, Mr. President. I am having a little trouble here wondering if they are hearing me. "In 1972", this is the printing shop manager talking, "I had 8 people finishing some 300 jobs per month. By 1982 the work force had increased to 22 full time and 5 part time employees " I won't subtract and add that for you. You can figure it out in 10 years how it grew. But their next paragraph is the one that is the whopper. They are "using far more specialized automated equipment. Our big increase has been with specialized automated equipment." Now I ask you, Senators, when you go to automated equipment, isn't one of the first objections you hear from unions is that it is going to put people out of work, and yet the Medical Center's print shop increased employment, and what do you think this automated equipment has cost the taxpayers in just this printing shop. He says he is so proud they spent one-half million dollars on printing equipment at the Medical Center. He also says they have cut the cost by twenty to twenty-five percent less than outside market prices. Well, now that is his figures. I am wondering if we did an intensive study on what it cost to insure that half a million dollars of equipment, maintain it, would it be twenty to twenty-five percent less, and would you tell me, please, why they can't do the printing that UNO has to have or UNO can't do their printing. I don't know how much equipment they have. If the campus facilities are inadequate for an order, he prepares specs and gets bids from outside vendors and oversees the job as a broker. So a half a million dollars worth of equipment and all these extra employees still isn't doing the job for them. He said, "The Center has expanded four times in the past ten years and we have already outgrown the space." Does that mean they are going to come back and say, "We need more space and we want more money to build more." What is the motto of the print shop. "Our motto is 'service'." It sure as the devil isn't "saving tax dollars". "We are in the process of working up details for a bulk mailing facility in coordination with the print shop." Where in the name of God is private enterprise in Omaha and in Lincoln and I urge you look at the junk mail

you are getting from the Universities. You should read what they are printing in the Medical Center. So-and-so had a baby, so-and-so bowled a 300. Look at your University Press, what are they writing? Is all this printed material really necessary and what is the true cost to the taxpayers. The only thing I am going to close with is this. If the University thinks, and if they are so unimaginative that the only thing they can think of doing is firing people, I am going to start a personal investigation into all the waste, and I guarantee you the people that work for the University will probably ring the phone off the wall telling me where money can be saved at all these campuses. I am only addressing one thing, printing shops, and the utter and complete waste that we have two of them in Omaha and we have the State Printing Office and the University Printing Office here in Lincoln and they can't share equipment and they can't share personnel. And when the University gets up and says we are are going to fire employees if we have to cut the budget, do you know what that is equal to? That is like Dave Newell saying, "Well, if I have to cut the family budget, I guess we just won't feed the kids."

SENATOR LAMB: Thirty seconds, Senator.

SENATOR HIGGINS: And that is what the University said when they spoke out, "If we have to cut the budget, we will fire so many employees", and where are they going to go? They are going to go on unemployment. Where do you think the printing equipment would go if we sold off half of it and shared the equipment with one another? The funds would go into the General Fund and we wouldn't have to put anybody on unemployment and perhaps eventually on welfare. That is my whole philosophy about this budget cut. You betcha there is fat to be cut, and if we investigated every agency, I am sure we would find more and more like this. Thank you.

SENATOR LAMB: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. A question of Senator Warner if he would yield.

SENATOR LAMB: Senator Warner, would you yield, please?

SENATOR WARNER: Yes.

SENATOR KOCH: Senator Warner, I know that you have a difficult task. Those amendments which you are putting together, could it possibly be that you would have those ready this afternoon and we continue discussion of this bill rather than trying to expedite it to Select File. I think it puts a bunch of us at a disadvantage who may have some concrete suggestions on LB 2. If we are not allowed to discuss this on General File and prepare amendments based upon what the committee is going to put into the bill, don't you think we are at a disadvantage?

SENATOR WARNER: The time restraints are a disadvantage for all of us, Senator Koch. I would agree with that. The suggestion that I am making is more of one of consideration of time. We could not make decisions either until Mr. Leuenberger's report yesterday and his report did revise at least my thinking, and I am assuming what we will have done by noon, I am hopeful, is that we will have what the committee will recommend so you will know that this afternoon. It will be available this afternoon. You will know the basis of shortfall that we are thinking of and you will then have the opportunity to prepare amendments at least to that. What I have suggested does not provide the opportunity to attempt to change the bill three times but only twice, once on Select File and once on Final Reading. For a practical matter we are talking about one time which is Select File. But to the extent of information of, you know, that would be the sequence to which it can be offered and the practical effect, I am sure there is no way in view of the fact that we still have not finalized anything in the committee in terms of where amendments can be drafted, where drafting amendments to an appropriation bill is somewhat different than some bills, it has to be technically correct. Frankly the staff needs at least a half a day to be assured of that. But the basis of the decisions on which those amendments will be drafted would be available I would hope right after lunch.

SENATOR KOCH: Thank you, Senator Warner. I just want to remind the body, and I understand the difficult situation of Senator Warner and the committee, I am not being critical of that, but I am being somewhat critical of the procedure. We put this bill on Select File. Immediately you are going to change the number of votes it takes to amend. Right now? Even on General File if I want to amend the bill? It is going to take 25 votes? Okay, then that is clarified. No exception. Now I will offer one other suggestion. Why not have the committee give us the amendments and why not recess until about three o'clock this afternoon and why not discuss the bill on General File? I don't see such great emergency if we don't get out of here until next week sometime. That might be good for us. But I know some of you have to do a little harvesting, I am talking to Senator Warner more than anyone else. But the point I am trying to make is the State Board of Equalization could meet next Monday and face up to the task that properly is given to them under constitutional law and maybe they would help us with a little bit of guidance as to what they think since the Governor now and his staff has all the figures of the shortfall. Maybe it is time they face up to the kinds of tax rates that may be needed instead of the Legislature always being the whipping dog. And we have been. We were here last November. And I am going to get something else off my chest while I am at this microphone, I said last April when I gave the thirty-third vote on two different occasions, I didn't have to give it, that I might regret that vote, and I am regretting it right now because all the information came out in my district was the big spender voted to increase taxes 20.8%. By the same token, the Chief Executive didn't come into my district and try to save me.

SENATOR LAMB: Thirty seconds.

SENATOR KOCH: I regret that. I think when people down here take courageous action, then they ought to be given the credit for it because there wasn't a lot of help given to me when I ran this time again even though I was called the biggest spender this state has ever known. But that 20.8% increase, Senator Carsten knows this, was to help the state out of a critical financial mess and we still didn't solve it and LB 2 is not going to solve the problem either. So why don't we slow the procedure down and wait until next Monday and the State Board meets and come back and finish it. I am suggesting this but I know some people want to get out of here Saturday, but I have already made plans to go to the Iowa State-Nebraska football game. I think that is more important a lot of times than what we are doing here anyway because at least Nebraska then is known for something which is positive rather than negative, including our budgeting and our christian school issue. Thank you.

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I'll be very brief. It seems that whether we meet in regular session or Special Session somebody for some reason is in a hurry. Yet when we complete a session that we rush through and after the session is over we see that the things we hurried on didn't amount to a hill of beans anyway because life has a way of leveling out the hills and filling in the valleys. So if a bill as important as this one seems to be has to be rushed through today, I fail to understand why, from anything that we have done since I have been here in twelve years. I also will not limit any philosophical remarks I have to today because there is very little about the bill frankly that I know or understand at this point, I was going through some of the figures and as I look at it, every dollar added, if any are to be added, every dollar substracted is going to be done only for one of two reasons. A philosophical reason or a political reason. That is all. There is no mysticism about it. There is no magic. There are people who consider themselves to be in what is called the mainstream. When they do their mainstream activity, they don't want to say that is based on a philosophical bent or point of view but it is. So if what we want to do is create a situation where people who pay taxes don't have to pay very much, then we ought to kill as many birds with one stone as possible. The place to start would be with the old birds. Every program that relates to anybody who can be considered old, and since I am 45 I would like it to be above that age at least, just cut it all. People live too long now anyway. That is why they have such high rates in the hospital and they say if you are not well off enough to make an arrangement to pay some money right now, you can't come in here. We have got to save the place for these old people who have got money. Why not have astronomical tax rates as long as those with astronomical means pay them. Why don't we equalize the way land and property are taxed so that if it is rural and farm land you have got to pay your part of the bill too. They want to indicate that for some reason city land should be taxed higher than farm land. That is done because there are more people in this legislature concerned about farm land than city land. We don't have to talk about

agriculture being the backbone of the state or anything else like that. When you need money you go where the money is. That is why bank robbers rob banks. There is money there. So, when you want to find out where to go to get money, if the state really needs it, and if you are serious, tax those people who can say I forgot to pay my taxes because I was busy, but now that it has been brought to my attention I'll go in my watch pocket of my overalls and take seventeen thousand dollars down there and give it them. Go to the judge who will sit on the bench and maybe have occasion to tell somebody you go to jail or you are on probation and you do what I tell you to do because you didn't pay your taxes, you violated some other economic law, but for myself, I'm not going to pay my taxes on time because it is cheaper to steal from the county and the people than it is to borrow from the bank. Now those are the public examples that the people have to see. Everything connected with taxing is philosophical because we are going to determine who pays and who is not. The national administration has determined that the rich will get richer, the poor will get poorer and you will teach that poor people's children are sick because they want them to be sick. That old people are cold and hungry because they want to be cold and hungry. If they were not Godless and sinful they would all be rich. I think there needs to be a redistribution of the wealth in this state and in this country by any means necessary. So for my part during this session if I talk, I'm going to have a lot that is philosophical to say. If some of the people in this body are so thin skinned that they can't stand to hear words, they should think about the plight and the pain and the agony suffered by people who are the victims of programs that deny them of the essentials needed for a decent, or not even a decent, life in this country which is supposed to have such a high standard of living.

SENATOR LAMB: Thirty seconds Senator.

SENATOR CHAMBERS: So nobody is going to determine by any means the type of presentation that I give or the type of subjects that I talk about. Everything is open. If the people that I care about can be walked on all the year, then certainly those that do some of the walking can listen for about a week. I'm going to talk and I will be heard unless you chose not to sit in the chamber.

SENATOR LAMB: Senator Warner, did you care to close on your motion to advance the bill?

SENATOR WARNER: Mr. President, again I would renew the motion to advance the bill. I want to say first that I guess I regret the comment of philosophical comments today, I did not mean that. I wish I hadn't used those words. What I meant to say any general discussion of the general problem was appropriate today and secondly I concur totally with the concern that Senator Koch expressed, the time restraints that what I am proposing is to do can cause for you but by the same token I am hopeful that we can have something specifically for you as an alternative to what the Governor has suggested that you then will have time to look at that before the discussion starts and your time to defend or to develop alternatives that you may have in mind too. The effort is to

facilitate the discussion, not to restrict it and I obviously also am and Jerry you are dead right, I sure do want to get back on the combine. But I am also willing to leave it set because it has cost me dearly both through the headline or so the other day in the paper and in loss of harvest time, the time I have already put in prior to today and another day or two isn't going to make a hell of a lot of difference to add on to that loss. I would be willing to do it because I have done that for twenty years, put my public responsibility ahead of my private and I can justify that with dollars also. But that is another side by side. I would hope that the body would see fit to advance the bill and if we can not resolve the issue tomorrow then obviously we need and must stay here until we do resolve it if it takes all of next week and the week after that and I will be here to do it. To help. Thank you.

SENATOR LAMB: The motion is to advance LB 1. Those in favor vote aye, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Have you all voted? Record.

CLERK: Mr. President, Senator Peterson requests a record vote. 35 ayes, 3 nays, 2 present and not voting and 9 excused and not voting. Vote appears on page 48 of the Legislative Journal.

SENATOR LAMB: The bill is advanced. Mr. Clerk do you have some items to read into the record?

CLERK: Very quickly Mr. President, Senator Koch would like to print amendments to LB 1 in the Legislative Journal. (See page 49 of the Journal). That is all that I have.

SENATOR LAMB: I might just mention to everyone that tomorrow stacks up to be a pretty long day. The tentative agenda is to meet, or the agenda is to meet at 9:00 a.m., recess for a half hour at 10:15 for the Veterans Day program in the Rotunda and then continue with the deliberations on during the day and I don't believe anybody can predict how long the day may go. So I guess I would just suggest that everyone be prepared for a long day tomorrow. Mr. Clerk.

CLERK: Mr. President, I have a request from Senator Chambers to print a letter in the Journal addressed to the Secretary of State. I have nothing further Mr. President.

SENATOR LAMB: Senator Sieck, would you care to adjourn us until 9:00 a.m. tomorrow morning.

SENATOR SIECK: Mr. President, I move that we adjourn until 9:00 a.m., Thursday morning.

SENATOR LAMB PRESIDING

SENATOR LAMB: Good morning, ladies and gentlemen. Shall we please come to order. This morning we are pleased to have Dr. Lee Wigert from the Faith United Methodist Church on North 33rd Street in Lincoln to offer the prayer. Dr. Wigert.

DR. WIGERT: (Prayer offered).

SENATOR LAMB: Thank you, Dr. Wigert. Roll call.

CLERK: Mr. President, Senator Duda would like to be excused until he arrives.

SENATOR LAMB: Have you all recorded your presence? Record.

CLERK: There is a quorum present, Mr. President.

SENATOR LAMB: Are there any corrections to the Journal?

CLERK: I have no corrections, Mr. President.

SENATOR LAMB: Messages, reports, and announcements, Mr. Clerk.

CLERK: Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 2 and recommend the same be placed on Select File; LB 1 Select File with E & R amendments attached.

Mr. President, an announcement for Executive Board members, there will be an Executive Board meeting tomorrow upon adjournment in Room 2102, that is Executive Board upon adjournment tomorrow in 2102.

SENATOR LAMB: The next item is LB 2 on Select File.

CLERK: Mr. President, I have no amendments to LB 2.

SENATOR LAMB: Senator Kilgarin, would you care to advance the bill to E & R.

SENATOR KILGARIN: I move we advance LB 2.

SENATOR LAMB: The motion is to advance LB 2 to E & R engrossment. Any discussion? We have no lights on. Senator Dworak.

SENATOR DWORAK: Mr. President, I would like a question of Senator Carsten before this bill be advanced if he would yield please.

SENATOR LAMB: Senator Carsten please.

SENATOR CARSTEN: Yes.

SENATOR DWORAK: Senator Carsten, has the committee looked into the possibility of excluding small businesses that would send in receipts say less than $100?

SENATOR CARSTEN: Yes, that was in the discussion, Senator Dworak, and for the most part those small payers that are behind or in default on the final day, those penalties have been waived by the Department for the most part. We did not specifically specify that but the Department informed us that they had been doing that quite regularly. The small ones were the ones we were concerned about.

SENATOR DWORAK: Yes, Senator Carsten, I would like to broaden my question, my question wasn't only those delinquent but just generally small operations of less than $100. Several of them have approached me indicating that this would create extra bookwork, would create a hardship for them. It is my understanding that the administration from the Tax Commissioner's perspective in these smaller businesses might be burdensome to the Department of Revenue, maybe more so than what we are going to gain from the accelerated collection. Would it be prudent to consider an amendment excluding businesses that remit less than $100?

SENATOR CARSTEN: I think, Senator Dworak, and we get into a pretty fine line and maybe some technicalities but that may very well be beyond the call.

SENATOR DWORAK: To exclude businesses from remitting at this time. I am not suggesting that we exclude them from remitting but just to allow them to remit when they normally remit rather than the accelerated remittance.

SENATOR CARSTEN: As I understand, what I said was and it covers what your question is, that in the event that they are late that the penalty has been generally waived on those small ones anyhow. As far as the work is concerned, I don't believe as my understanding is there is no additional work in the reporting process that they now do.

SENATOR DWORAK: Okay, I am not going to belabor the point. I haven't had an opportunity to visit with him, been tied up in the Appropriations Committee. I have talked to people on the outside about it. I certainly can't understand why it would be more work to remit at a certain time of the month than another time of the month so I accept that premise. If there is no additional administrative load to the Department of Revenue, I am not going to belabor the point. Thank you, Senator Carsten.

SENATOR LAMB: The motion is to advance LB 2 to E & R engrossing. Those in support vote aye, those opposed no. The bill is advanced. The next bill is LB 1.

CLERK: Mr. President, there are E & R amendments to LB 1.

SENATOR LAMB: Senator Kilgarin.

SENATOR KILGARIN: I move we adopt the E & R amendment to LB 1.

SENATOR LAMB: Those in favor of adopting the E & R amendments to LB 1 signify by saying aye, those opposed no. The amendments are adopted.

CLERK: Mr. President, the next amendment I have to the bill is offered by Senator Koch and Senator Koch's amendment is on page 49 of the Legislative Journal.

SENATOR LAMB: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. What I propose to do in amending Section 86 of this present bill is that the State of Nebraska is obligating subdivisions of government for certain kinds of money that are returned to them due to certain legislative actions. A most recent one would be LB 518, most of us remember where we took a considerable sum of property from the schools and counties and cities. We then said we would return to them $70 million dollars in lieu of the supposedly loss of tax revenue. Now then through this Special Session we are going to say to those people you are all going to be losing certain amount of that dollar, yet their budgets have been planned and made just like the state tries to do theirs. Same thing with the state aid to the schools, $95 million dollars we have said that we will give them to help to carry on the operation of the institution. Again we are saying to them, sorry, we made a mistake and now you are going to have to change your budget in the middle of the stream, and we all know that local governments don't have that flexibility. We also know they operate under a 7% lid. Again this Legislature said that was appropriate. Many of us don't like lids under any conditions. What I propose to do in this amendment is the Legislature will say, all right, we will defer the payments. We will defer your payments in the various aid that you get, but before the fiscal year is over of the school or the city or the county, the state will meet its obligation in terms of that what we promised them. So that is what the amendment does. We are saying that we will give the money sometime during their current fiscal year. In the case of schools, their fiscal year ends August 31. It would mean we could defer their payments to a certain time but that by August 31 the schools receive the aid they are entitled to as we originally told them we would provide it to them. By the same token, the cities would be the same way, the counties would be the same way. So what we are saying, right now because of the cash flow problem and the shortfall of dollars we will defer your payments but we will commit ourselves to you that before your fiscal year is ended you will receive those dollars that you originally were going to receive and that money which you budgeted for when you built your budget for this present fiscal year. That is the amendment.

SENATOR LAMB: The Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President, members of the Legislature, as I understand Senator Koch's proposed amendment, there would be two effects of it that it would appear that we should consider. First, it would appear to have the effect of restoring the cuts or not even making the cuts, in effect, during the fiscal year budget that we are dealing with today, the '82-'83 budget, at least for those governmental subdivisions whose fiscal year coincides with the state's. And I assume the net effect of that is not to make those reductions. Secondly, of more concern as far as being effective, I would assume that based on the letter at least that Vard Johnson, Senator Johnson, received during the regular session in which this session of the Legislature cannot obligate the next session because it will be composed of different members that it would not be a binding obligation in any event that the Board of Equalization would take into account when setting rates. So that purpose is not solved. And the most I think we can do is an indication from this body which is included in the amendments that the Appropriations Committee is suggesting which is language that the continuation budgets for '83-'84 will be at the same level for governmental subdivisions as they were prior to this session. So at least the cut is not permanent but they would not ever receive the money either. I think Senator Koch's amendment also is only limited to governmental subdivisions so I assume that is the elementary-secondary schools, cities, counties, NRDs, and the community technical colleges. I assume it doesn't extend beyond that, but as much sympathy as I personally may have, I don't think we should adopt the amendment because of its basic effect of actually restoring within the fiscal year a portion of the reduction that we will be considering later.

SENATOR LAMB: Senator Dworak, did you care to speak? Senator Koch, would you close on your amendment please?

SENATOR KOCH: Thank you, Mr. President, and damn these early morning amendments. Are you listening, Donald? It is pretty difficult to argue with the Chancellor of the Exchequer but I have to. I know that Senator Warner says that we can't obligate the next Legislature but I read LB 1 and I see under Special Ed that he says the intent is that we are going to cut it one more time but we will make a deficit appropriation to Special Education. I think that is in there somewhere. I will find it in it. Every year we make deficit appropriations in Special Education. You know that as well as I do. We bind every Legislature with certain intent. That is a moral commitment and a financial commitment we make. Again we get back, I will use Special Ed as the best example, this Legislature mandates that education will provide programs for certain kinds of children who are exceptional and the schools meet that mandate and they provide those programs but they are always paid a year in arrears. And every year there is a deficit and every year this body makes a deficit appropriation. Now if that doesn't bind another Legislature, I am asking you what does. We do bind them and all I am saying this amendment is these people plan in good faith that they are going to receive certain kinds of

dollars from the State of Nebraska to carry on the function of whatever the subdivision's function might be, cities, counties, or schools, and I am saying we have a moral obligation. They did't make those decisions to set tax rates, we did or the State Board of Equalization was negligent. We all know that. There is an old political proverb and all of you know what it is. When you take credit for the rain, you have better take the blame for the drouth also. And we take credit for rain here many times when everything looks rosy. We ought to take the blame, too, when things don't turn out right fiscally. It is not the local subdivisions' problem that the state has got a mess. If they ran their local subdivisions of government like we have been running the state the last several years, this state would be in absolute chaos. It fact there would be more Subchapter 11s filed under subdivisions of government than you could hold the courts with. I don't think this is an unreasonable amendment at all. I think it is appropriate. I think this body has a moral obligation to say, all right, we will defer your payments but we will meet those obligations at a later date this year. What is unreasonable about that? Nothing. It is probably too reasonable because oftentimes this body doesn't reason very well together. I am asking for the adoption of the amendment.

SENATOR LAMB: Senator Warner, your light was on but Senator Koch was closing on the amendment. The motion is the adoption of Senator Koch's amendment. Those in support vote aye, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Record. Senator Koch.

SENATOR KOCH: I would like to have a record vote on this for the Journal please.

SENATOR LAMB: A record vote has been requested.

CLERK: (Record vote read. See page 53, Legislative Journal.) 13 ayes, 27 nays, Mr. President.

SENATOR LAMB: Motion failed. Next amendment, Mr. Clerk.

CLERK: Mr. President, Senator Koch would now move to amend the bill. That amendment is also found on page 49 of the Legislative Journal.

SENATOR LAMB: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. I wished I would have handed out "What's Best for Nebraska, the Year 2000" that thousands of people helped put together. We take great pride in these kind of documents and almost every area that they talked about in local communities or on the grassroots of Nebraska, education is mentioned under agriculture, cultural education, economic,

environment, energy, government, health care, but they all go back to education as being a way we can accomplish a lot of problems, but everytime we meet here we cut education first. What I am proposing to do with this amendment, as you know they live under 7% lids. If you are going to take away dollars from them, what this amendment says, in calculating your next budget, they can use the dollars that they lost and they will not have to worry about the 7% factor, because if they are taking those dollars away from them now, you know as well as I do you diminish their base. As a result, 7% applied to a diminished base brings in less dollars than they had before. This is temporary. It is an emergency. If you read your bill as we affect the subdivisions of government, both cities, counties, and schools, it allows them under this proposed amendment to next year figuring their budgets they can use the same base they had even though they didn't receive those dollars from the state to figure their following year's budget and that it is only a temporary type of relief. That is what the amendment does. Thank you.

SENATOR LAMB: The Chair recognizes Senator Vickers.

SENATOR VICKERS: Mr. President and members, I rise reluctantly, very reluctantly to support Senator Koch on this amendment, and the reluctance that I have is based on the fact that I believe that if the 7% lid doesn't apply, obviously, probably taxes are going to go up that much more, but the fact of the matter is they are going to go up anyhow. The fact of the matter is some of these very small school districts out in my area, and I have polled each one of them, have no choice but to go to the bank and borrow money. Their budgets are set. Their contracts with their teachers and other personnel take up eighty to eighty-five percent of their budget. There is no way that reductions can be made at the local level in those small schools right now, this year, this fiscal year. So they are going to go to the bank, and they are going to borrow money, and the interest rates are going to be, obviously, added on, and then we are not going to give them any more money to pay that back next year. There is only one place they can get it. They don't have any other choice, and yet if we apply the lid to them, that means they are going to have to cut that much deeper next year in order to pay that interest at that local bank. So I think we need to excuse this from the lid, and as I indicate, I support this very reluctantly. I would much rather give them the money that I feel we had committed to them and they feel that we have committed to them. You know I think the feeling that local entities have not been frugal is really wrong. Those local school board members that I know are probably taxpayers also. They have been being as frugal as they know how, and I think it is wrong for us to sit in Lincoln, Nebraska and tell those school boards out there that there are programs that you need to cut. If we really want to do away with local control, that is the way to do it and I guess that is what we are doing. So I do support this amendment. I would urge your adoption of it. Thank you.

SENATOR LAMB: Senator Koch, would you care to close on your amendment?

SENATOR KOCH: Thank you, Mr. Chairman. For those of you who may not have

looked at your Journal and know what this amendment does, I will read it to you. "It is the intent of the Legislature that governing bodies of political subdivisions which experience a decrease in anticipated receipts from state tax sources as a result of this act", which is LB 1, "deem such decrease to be an emergency situation within the meaning of section 23-929 and section 77-3428", which means that when they make their next budget because of these anticipated sources of income which they figured before, they are not going to get them now, obviously, but they still use that as a base for 7% for the following year in terms of their budgetmaking process. I think this is the only reasonable thing we can do now and, obviously, your minds are made up. You are going to make the cuts. The least you can do now is to say, all right, we are going to cut your money we promised you but under this case this is an emergency. So the 7% does not apply to those sources of dollars which we once committed to you and now are not going to deliver to you, which will keep them in many cases from having to go to a vote of the people which many times is not the easiest thing in the world to do. That is the least we can do, ladies and gentlemen. I ask your support of this amendment. Let's show some good faith before we leave here Saturday.

SENATOR LAMB: The motion is the adoption of Senator Koch's amendment. Those in support vote aye, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Record, Mr. Clerk. Senator Koch.

SENATOR KOCH: Mr. Chairman, I would ask for a record vote, please.

SENATOR LAMB: A record vote, please.

CLERK: (Record vote read. See page 54, Legislative Journal.) 12 ayes, 30 nays, Mr. President, on the adoption of the Koch amendment.

SENATOR LAMB: The motion fails. Next amendment, Mr. Clerk.

CLERK: Mr. President, the next amendment would be offered by the Appropriations Committee. At this time I do not have the amendment in front of me. I do have the blue handout that has been provided to the membership. I understand the amendment is being prepared and printed and will be down here shortly, Senator.

SENATOR LAMB: The Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President, I would think for the purposes of convenience of discussing it, we can just use the blue sheet that was passed out to you this morning and then those areas or agencies that you want to have adjusted, motions to change at least, if you would make them in effect to the blue sheet and the staff can draft the amendment technically to fit the bill then, but at

least if we can use that process, I think it will be easier to follow. Included in the amendments that the Committee and perhaps others are sponsoring are a couple of things I should mention of the top of the general position and that is that it is a 2% cut across the board with some exceptions. Those kinds of exceptions are such things as constitutional officers salaries which we are prohibited by Constitution to change. We excluded from a reduction anything that we knew would have a deficiency request next session that we by statute at least must comply with, entitlement type programs. Included in those are such things as the Special Ed that goes to the elementary-secondary schools primarily, the wards of the court over which we have no control. Reserve teachers were excluded because again that is a statutory commitment and then there were one or two others, similar type things, where it seemed no point in making a reduction knowing we would have to by law fill it yet this fiscal year in any event, and it would only add to the problem. So those kind of things are excluded. On the revenue side, if you look at the front sheet, the action, it is entitled "Action Required by the Legislature" deals only with LB 1 and LB 2. If you start at the top with the possible revenue shortfall and what level of reserve you want, that, of course, you can use your own judgment. If you come with a figure greater or lower than is on that section of the paper, then you will correspondently affect the action that would be required by the State Board of Equalization. Briefly what we are presuming, also if you will look at the Board of Equalization book that was put out last night, it very clearly shows that there can be again substantial cash flow problems starting probably in March, again depending on the dollar amount depending on what we do in appropriation reductions, but it would be my opinion that even if you did the $30 million, there would be substantial cash flow problems later on during this fiscal year which would have to be reckoned with at that time. So in recognition of what appears to be a shortfall regardless, this does assume that the Board of Equalization would increase retroactive 1% on income tax which will raise including the corporate tax $19.5 million, and then further assumes that that adjustment needs to continue through 1983 to fund what is proposed here and more importantly to also provide the funds for three actions that the Legislature is taking, that is the funding for LB 522, the medicaid; the funding for LB 404, which dealt with the Aging agency; and then finally those additional deferrals in capital construction that we are proposing to take at this session which obviously need to be taken into account the next session. I would tell you that I cannot imagine that the Board of Equalization would not do most of this. There are a number of other obligations that we have facing us in the next session which they cannot legally at least take into account or directly take into account, and we start adding those all up, we have major problems in the way of arriving at a budget next year. The selective cuts or the special reductions which are on page 2 through 4, briefly unless there is a specific question, I am perfectly willing to describe each one in detail but they are a combination of either suggestions of programs from agencies indicating that the money would not be spent and was not needed and was not needed as a continuation factor. In other cases it is additional federal funds that we did not anticipate or did not take into account during the regular session which we are utilizing. Let's see, what else? That two things would

be primarily the general thing that would be covered under special cuts on page 2 and 3. Then on page 4 includes all the suggestions for cash and revolving fund lapses as the Governor submitted and then the Committee has added a number of ones in addition. Including is the cash flow for the Library Building at Kearney which is under construction, under contract, but there was $300,000 plus that could be rolled into '83-'84 because that would fit their construction program. We did reduce the authorization for the A. O. Thomas Building at Kearney by $200,000 but it still permits them in this fiscal year, roll it back in '83-'84, but again that will permit them to go ahead and begin construction and virtually in the same time frame that was originally anticipated. We did take some additional cash funds that we felt could be lapsed and put into the General Fund over and above what originally the Governor had but all of those add up to a little more than what was proposed there. If you look at page 5, those included the things that I generally have described as the kind of thing that could be either deferred or reduced this year without creating any problems for the agency or for the contract that was underway. If you will look at the long sheet is aid by agency from the General Fund and then the second portion is the aid by agency of the operations. The first one that deal with aid, again the exclusions column means that they were excluded from the 2% cut and again that was the basis of either a deficiency, the money might have already been spent, so we couldn't take the full 2%, or in some cases that exclusion if the figure is the same in the special reduction and exclusion, it means we took it all. There is a couple of agencies, you will notice that it was zero, that nothing was reduced, and the one that comes to mind is Retirement and that money was transferred in July and obviously couldn't be reduced even if you chose to do so. And finally in operations, that sheet essentially is the same as the other. I don't know how much time that you want to use but I assume responding to questions would be more rapid than if I went through each agency by agency, although I would be perfectly willing to do that if that is the will of any questions.

SENATOR LAMB: The Chair recognizes Senator Wesely.

SENATOR WESELY: Mr. President, members of the Legislature, I do have a question of Senator Warner. I think it is one that we all are concerned about so I will ask it and then ask for a response. The outline of the proposal I think is a fair one and a reasonable one and one that I can support but the question I have is that it requires action both by the Legislature and by the State Board of Equalization. Obviously, this body can take the action required of it under the section that we are dealing with in action required by the Legislature but we are also taking into account the question of the State Board of Equalization and the fact that we need a 1% income tax increase retroactive plus the continuation of that increase into 1983 in order to meet our fiscal problems. Now the scenario that I am sure many of you have thought about and one which I will outline now and ask Senator Warner's reaction to would have the Governor and the Board of Equalization take the action that we will I think assume today and the next couple of days and reduce by $38 million the budgets that we have approved, thus providing for that reduction. That does not meet

the problem though. There is that additional need for an income tax adjustment. What would be the possibility if we would take 38 million dollar reductions and follow this proposal that the Board may not then take the next step and adjust the tax rates. I guess from the figures that the Governor has been using, the $38 million would be about what he was looking for anyway, and if his feeling is that there really isn't any greater problem than what he has said in the past, $38 million figure or $30 million figure, then perhaps he would not be willing to adjust the income tax rates as we would have them do. If that happens, then we are back to the problem, it looks to me to be at least a $26 million problem, and that doesn't take into account the additional obligations that are listed at the bottom of the page that we all know about coming up with the medicaid transfer. So we are back to the same sort of problem that we are in right now. If it happens that we do take the steps that you outlined here, Senator Warner, and if it so is not followed by the Board of Equalization and the adjustment is not made on the income tax rates, what ideas do you have for further action at that point?

SENATOR LAMB: Senator Warner, would you yield?

SENATOR WARNER: Well, obviously, there is nothing I am aware of the Legislature could do that would compel the Board of Equalization to follow this proposal or any other, for that matter, other than the level of appropriation. There are two or three things I might indicate that obviously the amount of shortfall is a judgmental thing. It could be anywhere from $38 million which was the most optimistic to the vicinity of $69 million. I do want to caution you that the figures that we are using assumes, this figure here assumes that the 2% rate adjustment will be done this November to accommodate the federal change that most tax law changes most of which occurs July 1, some of which, however, takes effect on January 1. Should the State Board fail to take that 2% adjustment in the rate, then the figures you are looking at, if they fail to do it, would be $12 million higher than what you are looking at. So if we used the $57 million which was a midpoint of the most conservative, should they fail to adjust for the federal income tax change coming, that figure would actually be $12 million higher or $69 million. So I am assuming again that there is no choice but what to do that either by law or by the simple facts of the situation the state is in. Secondly the only compelling argument for the 1% retroactive part is to look at the cash flow sheets that are included in the Board of Equalization's report, and again depending upon what rate they may use and whether or not they do the 2%, it would appear that cash flow problems on even a June 30th balance would not be adequate without that 1% retroactive, and particularly that is true because those funds would generally become available in April and March and May when it would appear the most severe cash flow problems would occur. And secondly, the rate adjustments only needs to be half by collecting over twelve months as if you tried to collect it through the future fees. Obviously, if they fail to do the 1% tax increase retroactive, I would suspect we will be looking for a major adjustment in sales tax sometime in the first quarter of next year in order to try to generate money as quickly as possible to cover these things because the sales tax is the only place that

it can be done. And finally, I would suggest that the strongest argument I would think that the State Board of Equalization would try, well, they may use somewhat different figures, but try to accomplish the same goal, is that a majority of that Board, three members, will also be the majority of the Board of three members after the next administration takes office, and whatever error of judgment becomes identified by the action of the Board in November will be required to be corrected by the same three members at whatever time that the problem comes up. So I think the responsibility for any error, if that is what it is, in judgment is clearly rests upon the majority whether it is done now or has to be done at some later date, and on the other hand, should their judgment prove right and their optimism for the economy prove right, I will thank them and I am sure all of the citizens of the state would thank them if the rate changes or as many rate changes as suggested here do not need to be made. On the other hand if they are wrong and the rate change has to be substantially increased, more than would otherwise been the case, then I imagine that that too will be apparent to the citizens as well as us and me.

SENATOR WESELY: I appreciate that response from Senator Warner. I guess the point I was making and I do think we ought to commend Senator Warner for the proposal that he has worked together with the Appropriations Committee to provide to us. That is indeed a way out of the jungle, so to speak, but at the same time we can only do our part in dealing with the problem. There is also a part to be played by the State Board of Equalization and it is important that they assume that responsibility and understand that when we deal with the issue that is before us we are expecting them to be responsible and to take action as Senator Warner has outlined to meet the fiscal problems that we have. They may disagree in some part but I think in the end I think the legislative intent is clear, we expect them to take the action that is outlined in this proposal, and I would encourage them to do so and encourage you as well to make known your feelings and support for the sort of outline that Senator Warner is proposing at this time.

SENATOR LAMB: At this time I would like to make a very important announcement. Today is Senator Cal Carsten's birthday. He is 39 years old according to my information and it is the first time he has had a birthday while the Legislature is in session. He hopes the Legislature will not be in session during any more of his birthdays and he is passing out cupcakes over under the South balcony. How about a hand for Senator Carsten. Coincidentally the next speaker on our list here is Senator Carsten.

SENATOR CARSTEN: Mr. President, members of the Legislature, I told my wife to keep still about this today and I think my staff betrayed me or something. I didn't know anything about this but anyhow thank you very much. I appreciate that. But I did have a couple of questions for Senator Warner, if I may, Senator Warner. As I look at your report, and it is for informational purposes only, I assume that you as you went through the budget that you went program by program for analysis and your recommendations as opposed to the Department as a whole, is that correct?

SENATOR WARNER: Yes, Senator Carsten, thank you for the question. I should have indicated that in the first place. The summary sheet you show is the agencies, like particularly in that 2% area is the agency's total reduction but there could be two, three, a half a dozen different programs, and to the extent that agencies indicated that they could absorb the reduction more easily, the total cut or major portion maybe was in one program and leaving another program that just didn't have the room for any reduction intact. One other point I want to make to our knowledge as best as we can determine that of the special cuts and the across-the-board 2% cut, I cannot say this relative to higher education because we don't have that kind of detail there, but other than that we are only aware of the potential of a half of one position that would be vacated. I only point that out that the possibility or the probability, and some concern has been expressed, of a number of people being laid off, at least to the best of our knowledge, would not be required at the level that we are proposing here. But again I cannot say that specifically about higher ed because we don't have the same level of detail or at least we didn't have the time to go through the same level of detail that we did with other institutions.

SENATOR CARSTEN: The other question, Senator Warner, this does include the reserve addition of 1% to a 3% reserve, correct?

SENATOR WARNER: Pardon?

SENATOR CARSTEN: It does include 1% additional reserve. As opposed to the 2 that we had before, it will now be 3, right?

SENATOR WARNER: Again that will be determined by the State Board of Equalization because as you recall we authorized them by law to go from 2 to a 7 percent range but we did in this the same...we are proposing to do the same thing we did in the regular session, that even though the legal limit was reduced to 2 that we should never consider less than 3 and hopefully higher particularly in these uncertain times.

SENATOR CARSTEN: Very good. Thank you very much. I appreciate it.

SENATOR LAMB: The Chair recognizes Senator Howard Peterson.

SENATOR HOWARD PETERSON: Mr. Chairman, members of the Legislature, I would like to ask Senator Warner a question, please, if he would yield. Senator Warner, how much consideration did your Committee give to the reduction figure? In other words, did you actually take a vote on whether it ought to be 2%, 3%, 4%, 3 1/2%? My own feeling is I think you have done a good job except that I would feel much more comfortable if we stuck with the 3 1/2% figure.

SENATOR WARNER: The process that we used, Senator Peterson, is that we first went through and tried to identify on a priority basis as many special or selective type of cuts which was total elimination of that kind of a program or

a funding. We identified as many of those that were left and then in order to arrive at the necessary dollar amount of reduction that then required an across-the-board 2% cut. So in effect the first thing we did, we generally concurred in the figure of a goal of $23 million, then take out the special cuts, and the balance became the across-the-board 2%. I would say one other thing. This is only an opinion but should we go higher than the 2% then we will be looking at the abolishment of positions. The higher you go the more jobs will be lost is what I should say. We also took in account in every case the freeze savings that the Governor has imposed and those were taken into account for reductions, too. Generally that freeze reductions were within the 2% factor, however.

SENATOR HOWARD PETERSON: Would it be true if we did away with the jobs we in reality would still be obligated for unemployment?

SENATOR WARNER: That is correct. The rule of thumb, Senator Peterson, as I understand it, that if you abolish a position that is totally General Funded that the net saving is something in the area of 25% because of the cost of unemployment comp that the state would have to absorb. I think that is about the figure.

SENATOR HOWARD PETERSON: One other question, then, apparently what you are recommending here in reality to the Board of Equalization is that they set the tax rate January 1 rather than July 1 even though the federal income tax goes into effect on July 1?

SENATOR WARNER: There is two reasons for the proposal. If the rate is adjusted as of July 1 for the whole year and it would be the same rate that would take affect in July, it wouldn't make any difference except that in July it would be retroactive, but if it is done in July we lose approximately $12 million in receipts from withholding at a rate of 6, correction, we lose about $14 million of receipts in the first 6 months, $12 million of that would be the additional withholding that the state would receive because of the earlier adjustment and then it is anticipated about $2 million additional corporate income tax would come in the first six months rather than the last six months. So from my point of view that the adjustment is essential to be made in January for cash flow purposes. In any event from the taxpayers point of view, it is the same net affect either way. Secondly, there is a very technical legal question it seems to me that while most of us assume that the federal tax act change takes place July 1,.that is only true of a portion of it, and that part that deals with the 10% rate reduction does take effect July 1 but there are other changes in the base of the federal tax that affects us that take effect January 1 of this year and I am of the opinion the Board of Equalization has no choice but to at least take that portion into account in the strictest legal interpretation but to arrive at that estimated figure for the Department of Revenue would be more difficult. But it seems to me that overall the adjustment needs to be made January both from a technical legal standpoint as well as the very practical effect on the state's cash flows.

SENATOR HOWARD PETERSON: I guess my concern, it would just seem to me that as an average taxpayer out here I might say that the State of Nebraska is trying to put this into effect at an earlier period than is absolutely necessary before we really know that the 10% is going to go into effect, and that is the question in my mind.

SENATOR WARNER: Let me ask...one other comment, when you look at the Chase, the thing that Mr. Leuenberger distributed to your committee the other day, as you know, you will recall that Chase is more optimistic because they are assuming when you read the narratives that Congress will perhaps make some change in the provisions that are going to take effect in July 1. The DRI, Data Resource Inc., I understand assumes that Congress will make no change and that the President would veto any change or at least any substantive change. And that is the prime reason including the fact that the DRI is more conservative anyway, but in addition to that, they assume no change in the federal act, and you know, whose guess that is I don't know. They both, by the way, presume that the federal reserve is going to return to a similar money policy that existed in midsummer before...primarily because of the 150 to 200 billion now estimated federal deficit and that interest rates will start to go back up in February or March or sooner.

SENATOR HOWARD PETERSON: I noted that and I just would want to comment here that it appears to me that even though the interest rates stay where they are or drop even more than they, I think the national economy is ready to turn around and I think it has started to turn around, but I think as far as Nebraska is concerned, we will likely lag that national economy at least a year and a half and possibly two years. I think we need to as a Legislature recognize that.

SENATOR WARNER: Senator Peterson, as you again recall, I believe the more optimistic projections by Mr. Leuenberger presumed a 3% growth figure from November on on the more optimistic side, the more pessimistic side is a flat growth. I think nationally, I think everything in here indicates they expect some growth. I don't think as much as 3% but obviously with agriculture's predicament in Nebraska, I would agree that we are going to lag. We always lag behind but I think our problem is more severe than the one nationally unless you get in the states with excessive high unemployment such as Michigan and those areas.

SENATOR HOWARD PETERSON: And I don't want to be too pessimistic because I think it is bad but by the same token I would like to get into the record that my own personal opinion is that we are going to find we are going to be $150 million short when July 1 comes around.

SENATOR LAMB: Senator Warner, would you care to close on your amendment?

SENATOR WARNER: Mr. President, I would move the adoption of the amendment, and wanted this additional comment, that as we are discussing other things, if any

detail questions come up, why please bring them up or visit with the staff. If you have other amendments that you would like to have offered and considered, generally I think we have described what it does in concept in broad terms, and it is my own feeling that if it is all done in substantially this form, it ought to leave us in the position at the end of the '83-'84 budget which is going to be still exceedingly tight and exceedingly difficult, at least we can approach it in a reasonable way if this kind of approach is adopted.

SENATOR LAMB: The motion is the adoption of the amendment by Senator Warner. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Have you all voted? Record, Mr. Clerk.

CLERK: 38 ayes, 6 nays, Mr. President, on adoption of the Appropriations Committee amendment.

SENATOR LAMB: The amendment has been adopted. A record vote has been called for. Is it in order?

CLERK: (Record vote read. See pages 54 and 55, Legislative Journal.) 38 ayes, 6 nays, 6 not present and not voting, Mr. President.

SENATOR LAMB: Motion adopted. At this point I believe we should recess for the Veterans Day observance, and immediately after the observance is concluded, we will resume our deliberations here in the Chamber. I have been informed that chairs have been set up on the south side of the rotunda behind the Speaker's platform for the legislators who would like to attend.

EASE

SENATOR LAMB: Senator Barrett.

SENATOR BARRETT: Mr. Speaker, I would move that we recess until 12:45 p.m. for lunch.

SENATOR LAMB: All those in favor of recessing until 12:45 p.m. say aye, those opposed no. We are recessed until 12:45 p.m.

RECESS

SENATOR LAMB PRESIDING

SENATOR LAMB: Have you recorded your presence? Record.

CLERK: There is a quorum present, Mr. President.

SENATOR LAMB: Do you have some items to read in, Mr. Clerk?

CLERK: Mr. President, once again a reminder that the Executive Board will meet tomorrow upon adjournment in Room #2102, the Executive Board upon adjournment tomorrow in Room #2102.

Your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 2 and find the same correctly engrossed. That is signed by Senator Kilgarin as Chair.

SENATOR LAMB: Proceed to the next amendment.

CLERK: Mr. President, the next amendment I have is offered by Senator Haberman. (See page 56 of the Legislative Journal.)

SENATOR LAMB: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature, I would like to start out by saying that on your desk is a passout that I have dated October 30, prices paid to farmers take a 5.1% nosedive in October. It also says that the commodity prices or food prices to the consumer which was expected to rise was the smallest annual increase in six years. So the farmer is getting less and the consumer is buying his food cheaper. I personally have a bin of popcorn that I would be glad to sell anybody here on the floor for a little bit of nothing because it isn't worth anything. So when I rise to talk about cutting our great University, which it is and I am proud of it, I do it because the people are really financially strapped and are really hurting. I talked to one senator and he said, "Rex, you have a good idea. On some of these, the Alumni Association, I wouldn't touch that with a ten foot pole due to the political repercussions." So I guess politically this isn't very smart but right now politics don't enter into what I am trying to do or what this body is trying to do. What my amendment will do is this. The University of Nebraska at Lincoln and Omaha each have an ombudsman and this costs us $93,539. Now the ombudsman deals with problems raised by students, the staff and the faculty. Now if we didn't have the ombudsmen, what could they do? Well the students could go to the Administration Office, they could go to their faculty advisor or the attorney on the campus. The faculty could talk to the Dean of the Colleges and bring up the problems to the faculty senate. The employees could go to the administration or the Personnel Services Offices. They also have a manager for fringe benefits, a manager of compensation and classification and a manager of employment. So if we did not have the ombudsmen at these two

discretion to do and not add to the cuts in addition to what we have already done.

SENATOR LAMB: Senator Wesely.

SENATOR WESELY: Mr. President and members of the Legislature, I would agree with Senator Warner in his assessment, essentially the point being that if there is a problem with the items that Senator Haberman has raised, the University has taken a substantial cut through the proposal that we just adopted this morning, that adjustments can be made in these areas. I, personally, have had experience with all but the Afghan studies elements and I have found them all to be very valuable parts of the University. I used to work as a graduate assistant and my office was down from the Ombudsman's office and I know how many people they helped, how important he is to the University of Nebraska Lincoln and the fact that he is there to assist students and faculty and individuals who have problems with the University. I think it is a very valuable function. So I don't see...and I haven't heard from Senator Haberman where there is a problem and why there should be a change. In my experience it has been a valuable asset to the University. The Alumni Association, again I have worked with them and have found that they have been very valuable. We have had a tremendous fund raising effort through the Foundation, the University Foundation has raised millions of dollars for the University of Nebraska. They use the Alumni Association and the spirit that is built up by the Alumni Association and the lists that are compiled by the Alumni Association to contact these individuals and raise money for the University and to cut the Alumni Association and hurt the efforts that they have undertaken in this area in cooperation with the foundation will only mean trouble in the long run for the University. So I would think that it is money in our pocket to have an Alumni Association that builds support among the alumni for our University and then helps to provide additional funding for the University through private donations. As far as the Afghan studies, although I have not worked with that operation, I can assure you that the question of why Afghanistan, it can easily be answered. If anybody is aware of world affairs, you know that there is a situation at Afghanistan that is one of the hottest in the world, and in my estimation to cut one of the real resources this whole nation relies on for information about that country would be detrimental to our national security. I don't think you are seeing the Kremlin cut the budget for Afghanistan studies and I don't think you ought to see the same sort of thing done in Nebraska which is now a resource for the nation on our side of the fence, so I think that supporting the Afghan studies at this point is absolutely needed and it is ridiculous to even suggest at this point that such a valuable asset to our national security would be considered for a cutting at this point.

SENATOR LAMB: The Chair recognizes Senator Vickers.

SENATOR VICKERS: Mr. President and members, I rise to oppose the Haberman amendment but for a somewhat different reason than Senator Wesely, more in line with some of the purposes and the reasoning behind some of the remarks by Senator Warner. I have just had handed out to you a summary of costs associated with the maintenance of the residences and the custodial services and automobile operating expenses and maintenance for the various administrators at the University of Nebraska, both here in Lincoln and in Omaha. And I am suggesting to you that the...and I would like it a matter of public record that the $3.5 million in cuts to the University, and I think that is what Senator Haberman is really getting at, could be made in areas that may not affect quite so drastically the end result of what education is all about at the University to the students from this state or from other states who may be over there attempting to further their education. Now I believe that out of that $3.5 million, if you study these costs, and I didn't bother to add them up for you, but we are buying a pretty good house every year. We are buying a better house than I live in, I can assure you, and I think a lot of members of this Legislature live in. And I don't know how important it is for the members of this Legislature to have a nice residence for us to go out and have lunch or have a dinner meeting once a year with the President. I don't know how important it is for the members of this body to have some place where PR work can be done for the University of Nebraska, but for my personal feelings I would much rather see a needed professor stay on the staff or an increase to keep a top quality professor on the staff of the University of Nebraska than to provide such what I term fabulous living quarters for some of our pretty well paid state employees. I don't believe we furnish automobiles, I don't believe that we furnish houses for too many of our state employees, especially employees who are paid in such a good fashion. So it seems to me that the point needs to be made to the Regents and I am not going to support Senator Haberman's amendment simply because I believe the Regents should have the opportunity to look at the total program and make the cuts necessary where they feel that they should be done. But I am suggesting that maybe the Regents should examine some of the frills, maybe even if they apply to us. I didn't bother to check into it but I will point out one other one. Once a year I get an invitation as I think each of you do to attend a football game and a luncheon beforehand and sit up in the press box. Now as one member of this Legislature it bothers me just a little bit when I am treated with such royalty when I am given in essence another seat up there where I can watch it out of the weather and at the same time coming around with free pop to all of us sitting up there. Now that to me, I can't help but think when I am enjoying all that of the stories that we all hear about budget cuts affecting the professors, affecting the students, and I talked to some students and I understand that there are classroom needs that are not being met, and that bothers me quite a bit when we spend so much money on PR frills that have nothing to do with the education of the student.

SENATOR LAMB: One minute, Senator.

SENATOR VICKERS: It's not going to take me that long. I just want to make this point that cuts do not necessarily need to be done at the bottom end in all state agencies, including the University. Some of them could be made at the top. Thank you.

SENATOR LAMB: The Chair recognizes Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, and Senator Haberman, I am going to oppose your proposition, but before I do that I would make just a couple of generalized comments which would provide a context for most of what I might do or say this session. I don't think that we ought to nickel and dime any division or aspect of the University to death. It would be very easy to say if you take a quarter here, a dollar there, $10 someplace else, then it is not going to make much difference to that particular department or division and overall you might accumulate enough money to make it look to the public like a substantial savings has resulted. But sometimes we can be dollarwise...what is it, pennywise and pound foolish, but in any case there are instances when a small amount of money can be saved and it can be made to appear that efficiency is the basis for it. But we never total up the human cost in terms of morale or the feeling that you don't count for anything with those who are supposed to be funding and making judgments about you. Now with the three propositions that Senator Haberman dealt with, the Ombudsman's office, there was information obtained by one of the legislative personnel that this office does resolve numerous disputes which if they were not resolved at that level would go to litigation and there would be a much greater cost to the University were these disputes to go to litigation than is engendered as a result of the office or department existing now. As far as the office of Afghanistan Studies, this is the only office like this in the western world, not western meaning west of the Mississippi, but the whole world. You all have heard the expression "Third World". Has anybody told you what the "First World" is and what the "Second World" is? One is Russia and one is the United States and their respective satellites, clients, allies or whatever they are referred to. So in one of the worlds, whether it be first or second, this department is unique. The Director has given radio interviews very recently on the tunnel explosion that occurred in Afghanistan the other day to radio stations in Atlanta, Chicago, Omaha and others around the country. So there is something which exists in association with the University system which draws attention to the state other than football and I am not saying this to disparage the football program at this particular point. I want my statements to be totally positive with reference to a program that has intellectual content. It has stimulated the existence of a more intensive language program at the University which is needed throughout the country. English is not the only language spoken throughout the world. There are various scientific and other languages besides English. Monetary matters are sometimes conducted in languages other than English. Now there are I believe a number of grants and scholarship programs that have been spun off as a result of this Afghanistan

Studies Department and I think they have generated money up to maybe $3 million in the past year. Some of what they have done has gone over the Voice of America and I have my feelings about that proposition too, but nevertheless I am trying to speak in behalf of a program which might be of some value to the state. The Alumni Association, Senator Howard Peterson, those two words together make me shudder. Nobody could think less of an Alumni Association than I who am speaking against the proposition to cut the funds. The information that was given to me is that what is accumulated through that association is factual material of a kind necessary to comply with various federal requirements.

SENATOR LAMB: One minute, Senator.

SENATOR CHAMBERS: So if there are programs that the University participates in which bring federal funds and you cut out this Alumni Association, then the money is going to have to be found to comply anyway or the money that is generated for federal programs will be out the window. So it is not quite as simple a proposition as Senator Haberman may honestly have thought it was. So I hope that you will defeat his proposal here this morning...or afternoon, or whatever.

SENATOR LAMB: Senator Hoagland.

SENATOR HOAGLAND: I would also like to rise briefly in opposition to Senator Haberman's amendment. You know, I think that a lot of us have heard about Afghanistan in the news the last two and a half years. It is a small country populated by highly courageous individuals who for the last two and a half years have withstood a full scale assault by the Soviet Union, their neighbor just to the north. That country currently has tied down over 50,000 Soviet troops who have unsuccessfully for years now tried to dominate it. Now I know from talking to a friend of ours who is a member of this Legislature that there have been several representatives of this particular program that have been to Afghanistan itself and who have engaged in map-making activities which have chartered heretofore unchartered areas of that country, which have perhaps been of aid to the persons that are resisting Soviet aggression. I think you have got to understand how important this center can be to national security not just for the furtherance of language studies and for the furtherance of knowledge about the culture of that country. You know, Senator Chambers said that there is really no other program like this in the whole world. I guess he meant the whole western world because we know that there are programs like this in the Soviet Union. And I will wager, Senator Haberman, that whoever makes the decisions in the Kremlin these days about whether to finance Afghan studies are not calling for cuts in this particular program. Now Afghanistan is the focus of a great deal of world activity right now obviously, and the Afghan Center in UNO which is unique in the western world brings a lot of that focus right here at Omaha. We have some experts, including Tom Gouttierre, on the faculty of UNO who himself has spent a lot of time in Afghanistan, who himself is included in these radio interviews and these Voice of America broadcasts

around the world, and I think it would be a severe mistake for us to interject ourselves into decisions made by the Board of Regents as to how the University should spend these funds. So I would respectfully oppose this and ask that we get onto other more important business that involves more dollars than this does. Thank you, Mr. President.

SENATOR LAMB: The Chair recognizes Senator Higgins.

SENATOR HIGGINS: Mr. President, colleagues, I just wish when they were talking about University budget cuts earlier this year and Regent Kermit Hansen said he had a "hit list", that he would have shared his "hit list" with the members of the Legislature, then we might have known what the Regents' intentions were and we might not be debating some of these things now. But Kermit Hansen, or Regent Hansen did not see fit to share his "hit list" with the Legislature.Evidently there must have been something very secretive about it I guess that nobody should know about it but he and a few others. I agree with Senator Haberman about the Alumni Association. I wonder how many thousands of graduates that UNL and UNO have, and I wonder when you compare those to private colleges and private universities that have alumni associations, where do they get their money? Do they go out and raise it themselves? How many times have we heard, it's time that the people get out and work for themselves and do something for themselves. And here we have an Alumni Association probably composed of the greatest amount of professional people, your doctors, your lawyers, your CPAs, UNO and UNL graduates probably are in the upper echelon of income in Nebraska, and what they are saying is, we who were educated by our state University don't feel any obligation to the University or any gratitude to do it all ourselves like private schools do. We say, once you taxpayers have subsidized our education in the public universities, now you subsidize our alumni activities no matter how noteworthy they might be. I am sure your private universities and colleges' alumni associations have just as good a programs that they work for. So what I would just like to remind you is you have all reminded us at some time or another that there comes a time when the people have to get out and do something for themselves, and I think what Senator Haberman's amendment does and what I am trying to do is send a message to the Board of Regents who ultimately will decide what is going to be cut, of how we feel about it. And that is the way I feel about it. Get ahold of the alumni and say, if you really care about your school, then get out there an do something about it besides ask us to raise taxes to support it. We are already supporting the school. I think they ought to do a little bit on their own. After all, they are where they are today because of that University. Thank you.

SENATOR LAMB: The Chair recognizes Senator Cullan.

SENATOR CULLAN: Mr. President and members of the Legislature, I don't want to take a great deal of time but I do want to express my appreciation to Senator Haberman for bringing some of these issues to our attention. I don't know enough about the Afghan Studies Program to probably make a decision, but I can certainly understand his appreciation for the other two items and I do appreciate his research and effort in this regard.

SENATOR LAMB: Senator Warner.

SENATOR WARNER: Mr. President and members of the Legislature, I have just three or four comments on some things that were said so there is no misunderstanding. In part, to my knowledge at least there are no general tax funds involved in anything the University does in relation to the activities of sports programs or no tax funds in UNL's budget with the exception of some utility costs in the Devaney Sport Center which even that is only a portion of them but no other portion is general fund financing included in their public relations part that might be associated with it. Secondly, in regard to the use of facilities by the heads of the respective institutions, it has been pointed out that a part of those residences have served for various official functions on the part of the University, including of course entertaining of senators and their spouses, but beyond that I would just make the comment, I know the Chancellor at the University of Nebraska Lincoln at least was not living in the home. He chose to stay in his existing residence which was not...had any tax benefit because both his wife and children...or his children wanted to stay in their same school, and the house is only used for those official functions which there is some cost associated with it but properly so. Fourth, the Regents that I...as I recall what the Regents were talking about for selective reductions was applicable to the '83-'84 budget rather than at this point, and I concur and said so publicly at the time that once it was developed considering the '83-'84 budget it would be well and proper to share it with the Legislature as whole, but I don't think that was in reference to this. Finally, the issue of general fund money for Alumni Association is one that we have dealt with at least for six years that I know of directly since I have been on the Appropriations Committee and I can tell you the amount was almost twice what currently is in for UNL at least at the time we initially started the study, and essentially it has been a base figure and any increased costs that they have had...there was first a reduction and then any base...that then became a base figure and any additional cost they have had to generate their own monies. So for your background, as I recall that would be some of the facts that surround some of the issues that have been discussed.

SENATOR LAMB: The Chair recognizes Senator Haberman to close.

SENATOR HABERMAN: I wish we had some time so Senator Hoagland could explain to me how the Center for Afghan Studies which is a resource center which contains library materials for information, how that is stopping the Russians. I wish we had the time so he could go in and explain that to me, how this resource material is stopping the Russians. Senator Wesely, there is no problem with the Ombudsmans. I am not saying there is a problem there. The only problem is we can save $93,000. I believe we have a couple of Ombudsman here in Lincoln that they could use. There is nothing wrong with them using those Ombudsmans and saving that $93,000. Senator Chambers, you surprise me. $273,592 are not nickels and dimes. Now they may be to you, sir, but they aren't to me and the people in western Nebraska. Senator Warner, I admire you for standing up and defending your budget, but these are least harmful cuts. How could these cuts

hurt the students and their studies, the professors? They can't. These issues were brought up by the fiscal office last fall as possible cuts. They had been proposed before. Nobody has picked up on them. Maybe nobody has the guts to stand up here and discuss the issue and be against some of these things except one, two or three of us. But I am sorry that we have to bring that into it and I am sorry that I maybe have this kind of a mind but just because the Appropriations Committee says this is what it is going to be, I don't have to live by that. I spent last week down here and this week going through the budget and my nickels and dimes amount to $273,592. That is what it amounts to. So I can probably sense here on this floor that I am going to lose, but I had to bring it up and I had to say it. I think I am right. If every Senator here would find $200,000 that they feel we could cut and we had to make those individual decisions, maybe we wouldn't have to have a tax raise, because quite frankly my people cannot stand a tax raise. I don't care how you put it to them, income tax, sales tax, any way you are going to do it, they cannot stand it, and they told me that they can't stand it. I would prefer to see the state employees keep their increase. I don't think they should be cut clear out. I am not down here to cut, cut, cut, cut, cut where things are important and where they are needed, but I don't think that a library about a foreign country...why didn't we pick Holland or Africa, why all of a sudden...why not let the State Department take care of this? Why should the University of Nebraska all of a sudden be deciding foreign policy? Boy, those Russians are going to hear about us deciding foreign policy and they are going to blow up the University of Omaha if it is that important. I hope the Russians don't find that out that it is so important up there, this library. I am going to talk to my daughter and tell her maybe she should move further away. The Alumni Association....

SENATOR LAMB: One minute, Senator.

SENATOR HABERMAN: ....this cost is for compiling and maintaining the records on all graduates that has nothing to do with grants, nothing to do with grants. It keeps them informed, from what I read of my research, here is the students, here is where they mail. They change their address, this is how you put them on the mailing list. It has nothing to do with education. So again I would like to ask you to support this cut. I am sure that they can find somewhere in their budget maybe following Senator Vicker's suggestion to save some of this $273,592. Thank you, Mr. President.

SENATOR LAMB: Senator Haberman was closing, Senator Hoagland.

SENATOR HOAGLAND: Senator Lamb, as a matter of personal privilege, he asked me whether it was more than just a library and then he didn't give me a chance to answer it, and as a matter of personal privilege I would like to respond because it is far more than a library.

SENATOR LAMB: The motion is the adoption of the Haberman amendment. Those in support vote yes. Those opposed vote no. Have you all voted? Record vote has been requested. Please record, Mr. Clerk.

CLERK: (Read the record vote as found on pages 56 and 57 of the Legislative Journal.) 11 ayes, 29 nays, Mr. President.

SENATOR LAMB: The amendment fails.

CLERK: Mr. President, the next amendment I have is offered by Senator Cullan. The amendment is actually offered by Senators Cullan, Clark, Stoney, Pirsch, Carsten, VonMinden, Nichol, Howard Peterson, Hefner, Lowell Johnson, Kremer, Duda, Sieck, Remmers, Wagner, Beyer, Apking, Chronister, Fenger and Richard Peterson.

SENATOR LAMB: The Chair recognizes Senator Cullan.

SENATOR CULLAN: Mr. President and members of the Legislature, this amendment is one to reduce the appropriation to the Nebraska Educational Television Commission by $73,131 for costs associated with coverage of the Legislature. There are 21 individuals in the Legislature who cosigned this amendment. I think it is appropriate that in a time when we prioritize that we look at this particular function. I think we have a philosophical choice. There may be some other areas with the state where we may want to make some minor additions to this particular budget and this will free up $73,000 to accomplish that objective. I personally believe that perhaps some of this money could be used so that the impact on the State Supreme Court and Judiciary is not so strong, perhaps for Community Mental Retardation Services, and there we have a choice between coverage of the Legislature and those services which affect people. I think it is a prudent philosophical decision. I would like to believe that the private media in the State of Nebraska does a sufficient job, in fact a very good job in my estimation of covering the Nebraska Legislature, and therefore there is no reason to supplement the efforts of the private media by providing public funded coverage of the Unicameral. I am committed as I believe this Legislature is to an open and free legislative process. We have I think when you look around the country perhaps one of the most open legislatures anywhere. The press has free access to the floor. They have free access to committee meetings, even the Executive Sessions, and so we have an open, an outstandingly open system and I do not want to jeopardize that system at all. But I do not believe that it is necessary to have public employees make decisions as to what should or should not be shown. I think that is a function for the private media supported by private revenues not by the public. I think that there is just as a matter of making selections as to what is and what is not shown in the program a method of affecting public opinion, and I think that is not a proper function of state government to use taxes for those particular purposes. Secondly, I believe that, and finally I believe that it would be a much more relaxed atmosphere in the Legislature without the continual presence of the cameras and the lights and other things. I think that would be a benefit as well. But again I think all of us are committed to an open and free Legislature. We simply don't believe that the taxpayers of the State of Nebraska should pay $73,000 for this particular coverage. Thank you and I urge you to adopt this amendment.

SENATOR LAMB: The Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President and members of the Legislature, I would rise to oppose the amendment even though a great many of you I suspect know and certainly Senator Cullan knows this particular amendment I probably have had on my desk for the last five or six years, that someone wanted to offer it from time to time, but I have always refrained from really pushing it for one simple reason and I had it at my desk for another simple reason. I had it in my desk because I, too, share the idea and I am going to talk longer now than I probably should because it is covered by TV both commercial and private. And I have the suspicion that happens to all of us from time to time, and I can tell you when TV coverage was one...started out it was one day a week and I can tell you those of you, Senator Kremer can remember, the maneuvering to get your bill to come on each TV day was one of the more important things that we had to resolve in order to get things taken care of. But I always kept it at my desk because I do think the end affect of the adoption of this amendment will be interpreted only one way that somehow or other no matter how well the commercial and the other media covers us that somehow or other we don't want to have that additional exposure and I think if you don't want to do it this way, maybe some other exposure in addition to what we already have is appropriate, but I cannot support the amendment totally, on the basis I think it does contribute an additional source of information, and many times in depth, and I want to also say I don't like all the programs they have either. They don't present my side of the issue just the way that I would like to have it presented all the time nor should they, and the last thing we do as a public body is attempt to influence any type of reporting on this Legislature whether it by a public or the private sector that we try to influence their independent decision through a budget process. I cannot think of anything that would be more...destroy a democracy system if that was once started. It almost flies in the face of the amendment to the United States Constitution relative to the freedom of the press. So I would hope that you vote down the amendment not only because of the purpose it serves, but more importantly how it would be interpreted by the public.

SENATOR LAMB: Senator Wesely.

SENATOR WESELY: Mr. President and members of the Legislature, I, too, rise in opposition to the amendment Senator Cullan and the other Senators who have cosigned it are offering. I think many of us are going to be concerned about this issue. It affects us directly. My personal feeling is that Educational Television has served a very important function in covering this Legislature. I wasn't around when they started the one day a week effort and I don't know much about that, but I do know as a young person who followed the Legislature just out of curiosity that without the coverage of ETV and the sort of work that was done to try and bring the issues of the Legislature to the people of the state, I think I would be much less informed then and I think the people are that way now. And I think ETV although there may be concerns about

different public policy concerning a public television coverage, nevertheless in the efforts I have seen in my door to door campaign in this last year I have discovered that despite newspaper, despite radio, despite commercial TV, despite public TV there are so many people out there that do not know what we do in this Legislature, do not know what the issues are before our Legislature, and it seems to me that one of our responsibilities as representatives of this state is to educate the public about concerns that we face with the issues of our time. And it seems to me that one of the ways to educate the people of this state is through ETV as one of the different avenues. Now it is not the sort of avenue that is going to reach everybody. It is going to reach a certain number of people and it is going to be those people that benefit from the fact that they have that opportunity to follow the Legislature. But there are other ways. The press is here. The other media are here and they are also very important to the effort that we have in trying to reach the people about what we are facing in the State of Nebraska. We are the voice of the people of the state. We are the deliberative body of this state, and I think we have to be very cognizant of our responsibility to help educate the people about the issues that we face. Cable TV is now expanding across the state. One of the things that we are seeing in Lincoln right now is live gavel to gavel coverage of the Legislature through the ETV coverage. That is the only way they could possibly do that, and I think as you see Cable expand to more and more channels you may be able to see more gavel to gavel live coverage of the debates on the floor, and I think that doesn't draw a large audience. We are not the exciting show that you might find elsewhere on TV at these times, but for those people who care, for those people who are concerned it is a great opportunity for them to follow our body and to learn more about the issues and to become involved as citizens. I think it is unfortunate to even be considering this amendment at this time. With the deficit that we face, with the economic troubles that we are in, with the different major problems that we are now addressing it seems to me that by having ETV coverage and by having the opportunity to help the people understand better these complex issues that we are confronting, then I think that is important and not to be forgotten, and I think we don't want to go back to the old back room days where all the decisions are made and then the public has those decisions sprung on them without much chance for them to follow those decisions in the process that they follow. So I think all those changes have opened up the body and made us more accountable and unless we communicate to the people and let them know better what we are doing, I think we are not serving the state as best we could.

SENATOR LAMB: Senator Newell.

SENATOR NEWELL: Mr. President, members of the body, I also rise to oppose the Cullan motion. I would like to make a few points about the program that I think are relevant. Then I would like to make a major policy sort of question that I think we as a Legislature have to look at during this session, this special session of the Legislature. But first the program. Capitol View is one of the more popular programs and I am sure that most of you as individuals have had an opportunity at one time or another to discuss with constituents the

importance of the program. I know that I have had a few of what I call political junkies that watch it all the time and those political junkies, if you will, have found it a most valuable source of information. But the program is very popular. It is one of the more popular programs, and, in fact, of the viewers, of ETV viewers, 30 percent of those in Lincoln watch the program. In Omaha it is somewehat less with 12 percent. But outstate Nebraska it is 21 percent, nearly one-fifth and that is understandable I think because ETV tends to serve them better. There is a high interest level in Lincoln. But of those that watch the program, 23 percent believe it is an excellent program; 54 percent believe it is a good program; 17 percent believe it is a fair program; only 3 percent believe it is poor and none believe that it is a terrible program. The important thing is that of the people that do watch the program 37 percent find it very important; 11 percent find it somewhat important, and only about 4 percent find that they gain very little from the program. These are the kinds of things that viewers have indicated about this program and I think it is an important program. Senator Wesely indicated, and I think wisely, that in fact it looks and the appearance will be that we want to hide and that we are unwilling to let people know what we do and why we do it. In personal conversations some have indicated that maybe the people shouldn't know what we do because that is why they continually turn down our pay raise. If that be the case, it is a sad situation, but I think we owe it to the people of Nebraska to allow them to understand at least the political process a little bit about it. But I want to make one last point that I think is a better point than the ones that I had made before, and that is simply this, we have had in this special session a very difficult time determining what we would cut, in fact, we have decided to go to a great extent on across-the-board cuts, and we have now some people who have made it their personal little issue or stand or whatever you would call it to take and make specific cuts that they think will be very popular back home, or very popular for one reason or another. I think if those people have those strong stands, they ought to propose those things, not in the special session when we know that we cannot cut enough from the budget to prevent the kind of tax increase that this Legislature seems to be prepared to suggest will have to happen. We have cut as deeply as we can and if we take $30,000 here or $300,000 there, or $10,000 someplace else, that is not going to avoid that tax cut. It will maybe perhaps offer a legislator or two an opportunity to go back and say, I did make a cut; we still had to raise taxes but I offered a proposal that was successful. If these programs are not good programs....

SENATOR LAMB: One minute, Senator.

SENATOR NEWELL: ....then I think we ought to look at them not only in the special session. I caution this Legislature in this regard, if this proposal goes, there are I am sure many other proposals for specific programs that you or I or someone else do not have any interest in. We can debate that budget as we did earlier this year. We can offer these kinds of cuts and in fact maybe we can get to a significant total. I would urge us not to begin the process of nickeling and diming for political purposes when, in fact, we have done the

best we could do in the limited amount of time that we have. I urge you to reject the Cullan proposal.

SENATOR LAMB: Senator Kahle.

SENATOR KAHLE: Mr. President and members, most of it has been said and I am certainly not going to belabor the fact, but I do oppose the Cullan amendment. One of the things that I find in working as a Senator and legislator is that people lack information. It is appalling at times. Some of the things I don't like about ETV are the fact that we have to sit under these lights. I never have enjoyed that and I never will. The cost of the ETV system that we have in service and in place in Nebraska is...I don't have the figures, but I am sure a multimillion dollar function with all the stations that we have over the State of Nebraska. I would like to talk a little bit about that. The coverage of legislative news is not the same over the State of Nebraska as far as commercial television is concerned. They get an enormous amount of coverage in Omaha and Lincoln. We get pretty good coverage even in my area in central Nebraska, but there are lots of areas in Nebraska that do not get the coverage and the only place they get real coverage or nearly the only place at least for the news broadcasts is from ETV. I think it would be foolish to cut out the small amount of money we are talking about and take the chance that we are depriving some people who enjoy and are educated by Educational TV, and Capitol View is watched by a great number of people in my area. I hear them mention it all the time and some of them do it to learn something and some of it for entertainment I am sure. But nevertheless no matter what you do, it is probably more enlightening than some of the other things that are on television. But I do think that Educational TV should include some inside information on government operation. We already are delving into the court system and we have television coverage in our Supreme Court here right in this building. I think it would be foolish for us not to continue to provide the public with whatever we can through Educational TV.

SENATOR LAMB: Senator Higgins.

SENATOR HIGGINS: Mr. President and members of the Legislature, as I read this amendment it says to reduce the appropriation to NETV by $73,000 for the costs associated with coverage of the Legislature. I wonder why it is just the Legislature we don't want televised. Is it because of what some of the Senators have said, don't let them know back home what we are really doing? Now this was passed around this morning to all the Senators to sign. Twenty of them signed it. Four are absent. Where are the rest of the Senators' signatures? Now I had an opportunity when this was passed around to really boost my stock with the commercial TV stations and maybe I could get some free publicity from them. If any of you have ever viewed commercial television or read the news media you will know there is probably about a 95 percent blackout on Marge Higgins. So I am not standing up here doing myself any good opposing this amendment and saying, let's keep this Legislature open to the people. But I will remind you Senators of something that happened in a previous session and

I think I will get exposure on Channel 3 for this. I will probably get a lot more exposure than I ever wanted from now on from Channel 3. But let me ask you this. Has any TV ever done a series of shows on this Legislature showing some of you sleeping? Have they ever shown a series showing some of you eating popcorn and ice cream so you look stupid to your constituents? Or picking your nose, to put it in the venacular of the street? You want to talk about who is fair in the coverage of this Legislature? Now maybe 20 Senators are going to get some good coverage out of the commercial TV stations and God knows where I am going to end up, but I have faith and confidence in my constituents, and when it comes to coverage of this Legislature, I don't count two or three minutes on any commercial television newscast as full coverage. But the 30 minutes that they give every evening of the Legislature I think does something for the entire population of Nebraska. Those who get angry with us and those who wish to be informed on what is going on know there is at least 30 minutes of coverage to tell them what we are trying to do down here, and I don't want to send them the message today that I am trying to keep them ignorant of what we are trying to do here. And, I, for one, would never vote to cut out ETV, and you never see me on ETV either. You know why? Because when I get up to speak I always have to face the camera in such a way that my back is to it, so they never cover me on ETV so I am not raising any points for myself with ETV doing this. I am just trying to tell it like it is, Senators. So if you want to go with this amendment and do away with ETV, maybe then you can when you do vote write a letter to all your constituents and tell them, we thought that $73,000 would have been better spent than educating you and letting you know what really goes on down here and in letting you know we do more than eat popcorn and lick ice cream cones. Thank you.

SENATOR LAMB: The Chair recognizes Senator Vickers.

SENATOR VICKERS: Mr. Speaker and members I also rise to oppose this amendment. I sometimes wonder if the members of this body really recognize and remember the uniqueness that we have in Nebraska. We are one of the most open Legislatures in the nation, not necessarily because of ETV but because of many of the rules, many of the ways that we operate and I as a member of this body am very proud of that, and I think ETV is part of that also. I certainly wouldn't want to be a party to anything that would do away with part of that openness. As a matter of fact, I would like to increase it if anything. I think it is unfortunate that my constituents are not able to watch us live on Cable like they can here in Lincoln or in parts of Omaha. I believe in time they perhaps will be able to. I think if I stand up here and make some dumb statement, my constituents need to have the opportunity to know it, or if I sit here and go to sleep, they need to know that too. I am not ashamed of what happens down here and I don't think anybody else should be. I am proud of what we do. Collectively, I think we need to be proud and we need to make that point known more. As a matter of fact, I would like to see the show that ETV is able to put on out in my area moved up to an earlier point in the evening so that more people would have an opportunity to see it. So in short, there is no way that I am going to support this amendment, I don't care how many cointroducers there were on it. Thank you.

SENATOR LAMB: Senator Landis.

SENATOR LANDIS: I call the question.

SENATOR LAMB: The question has been called for. Do we have five seconds? I see five seconds. Those in support of ceasing debated vote aye, those opposed no. Have you all voted? Record, please.

CLERK: 30 ayes, 7 nays to cease debate, Mr. President.

SENATOR LAMB: Debate has ceased. Senator Cullan, you may close.

SENATOR CULLAN: Mr. President and members of the Legislature, I guess I am a little disappointed with the implication made by some and the direct comments made by others that this was an attempt to in any way diminish at all the openness of the Nebraska Legislature. Some talked about returning to smoke filled rooms, something like that. I don't think Maurice Kremer who has been an institution in this Legislature for years would advocate that and he signed the amendment. I don't think Bob Clark or Larry Stoney or Carol Pirsch or Cal Carsten or Merle VonMinden or Rex Haberman or Bill Nichol or Howard Peterson or Elroy Hefner or Lowell Johnson or Dick Peterson or George Fenger or Harry Chronister or Sharon Apking or Emil Beyer or Don Wagner or Wiley Remmers or Harold Sieck or Walt Duda believe that we should have a less open Legislature. I think they believe this is a change that would be better for this institution. I think they believe it is a change which is necessary and appropriate at this particular time before we start the legislative session. We will maintain an open Legislature whether we have Educational Television service or not, and I have not criticized the content of the Educational Television programs that have been offered in the last several years. I simply make the point that in the process of deciding what you condense into a half hour there are decisions made as to what is important and what is not important and that is inevitable. Those decisions affect what the public is shown and to the limited extent that this program is watched, those decisions affect public opinion, and I as a matter of philosophy do not believe that public funds ought to be involved in that particular purpose. Secondly, I have never attempted to nor will I ever attempt to in any way, shape or form regulate what the media, public or private, in the State of Nebraska shows, but I do not believe it is necessary for us to fund continual gavel to gavel coverage of the Nebraska Legislature. If private industry wants to fund continual gavel to gavel coverage of the Legislature, the commercial networks want to do that, that is up to them, but I believe it is not necessary from the public pocketbook. I do think there are some things that we can do with $73,000 that are of more importance to the State of Nebraska than Educational Television coverage. I think some of this money could be used for the Supreme Court to lessen the impact on the judiciary that we have made in the current budget proposals, and I also think perhaps some of it could be used for mental retardation programs. So we have a philosophical choice before us. I would urge you personally to adopt this amendment and I appreciate the support of all the 21 individuals who

signed this particular amendment at this time. I urge you to vote for this particular amendment.

SENATOR LAMB: Senator Haberman asks unanimous consent to remove his name from this amendment. So ordered. The motion is the adoption of the Cullan amendment. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Record, Mr. Clerk. Record vote has been requested.

CLERK: (Read the record vote as found on page 57 of the Legislative Journal.) 20 ayes, 24 nays, Mr. President.

SENATOR LAMB: The amendment lost.

CLERK: Mr. President, the next amendment I have to the bill is offered by Senator Beutler.

SENATOR LAMB: The chair recognizes Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, the amendment I am proposing is a $13,000 cut from the Nebraska Equal Opportunity Commission. $13,000 is a drop in the bucket of course. The amendment is not designed to help us resolve our fiscal problems in a direct sense, but I am hoping that this drop in the bucket will be like the first drop in a bucket that it will have a little ping to it. A little resounding ping that I hope will go as far at least as the Nebraska Equal Opportunity Commission and perhaps, I hope, further. I have passed out on your desks, an explanation in detail, of why I am asking for the cuts and I'll try to briefly outline to you my rationale. But briefly let me say to you that I have myself and one of my staff people have spent a great deal of time over this summer and this fall pursuant to requests from constituents looking into different problems alleged to be occurring in the Nebraska Equal Opportunity Commission. That personal investigation is ongoing and we have not reached conclusions on a number of items. But, on three different items, we feel like we have reached some conclusions and I feel very comfortable with these conclusions and yet I am getting a response from a bureaucracy that is a negative response, that is a response that is saying, we don't feel like we want to compromise on the problems that you are identifying. I need your help in moving a bureaucracy to solving some of the problems that are occurring there if you hopefully agree with me that there are in fact some problems. The problems that I want to identify for you today are basically in three categories: Travel, personal employee training expenses and the salary of the executive director. The executive director of the Equal Opportunity Commission has spent on the average the last four years two business months, that is two months worth of business days travelling out of state at the state expense. That doesn't count instate

travel and that is a conservative estimate, even of the out of state travel. That travel in my mind is totally unjustified to that extent and the funding for that travel should be cut back. Secondly, the turnover rate at the Equal Opportunity Commission has been three times the average turnover rate for professional personnel in other departments of government. There are many, many costs associated with that high turnover rate. Training costs, management time spent training people are enormous costs associated with that turnover rate. There is no justification in my mind for a turnover rate there that is three times what the average state turnover rate is. Thirdly the salary of the Executive Director is too high. The Executive Director of OEC makes more than Governor, makes more than all the heads of all of the major agencies with but one or two exceptions in this state government. I can see no expertise, I can see no level of sophistication, I can see no rationale, I can see no level of education or training or experience that justifies a salary that is that high vis-a-vis what we are paying people to administer departments containing hundreds of people, not just 34 people. But let me make clear in the $13,000 that I am asking you to cut, that I have dropped from that any cuts relating to the salary on the theory that agreement has already been made with the Executive Director and it would be unfair at this point in time to ask them to cut salary too. But that will come next year if nothing is done on that score. So the $13,000 is really comprised of two elements, personnel training costs, excessive personnel training costs and I think that can be reduced now, because I don't think it is unfair to ask them to come down to a turnover level of somewhere around 20%. The average turnover level for all agencies is 13%. The figures that I am cutting are based on a turnover rate of 20% which is 50% again higher than the average state aid. So what I am saying to you is that I am being very conservative in the cutting. I think considerable more cutting can be done once they have turned around their management practics to get closer to a 13% average state level. So those training costs plus the excessive travel costs are the two elements that comprise the $13,000 that I am asking you to cut. And, I have gone on much to long for a mere $13,000 but I appreciate your indulgence. I would appreciate your indulgence in helping me get this done. Thank you.

SENATOR LAMB: Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the body, I rise in opposition to Senator Beutler's amendment. His amendment is well intended because Senator Beutler has conducted an investigation that was necessitated by problems brought to him by constituents in his district and he has found the Nebraska Equal Opportunity Commission wanting in several respects. Now I suspect that after reading his paper that many of his findings are absolutely correct. I had a tendency at the outset to be supportive of the amendment, but upon reflection I concluded that I could not support the amendment because I felt that the process was a bad practice and a bad precedent because what the process really is is this. As anyone of us, Senator Beutler has conducted his own investigation of a state problem. During our four years or eight years or twelve years or sixteen years in the legislature each one of us is called upon

as individual senators to investigate a problem. What has happened is that Senator Beutler has run into some bureaucratic snafues. He has not been treated with the courtesy and respect that he ought to be treated with and I think that is most unfortunate. But here is where the bad precedent comes. It seems to me that if we as a body then decide to react to the treatment afforded one of our state senators by penalizing the bureaucrats, the administration, in cutting their appropriations we have established a precedent for doing that with any investigation that is conducted by any individual members.without going through the regular process, which I think would be this. When an individual member concludes that something smells in a state agency, the appropriate dynamic is during the next legislative session to change the practices in that state agency through appropriate legislation. To have a public hearing on what that individual found to be wrong. To allow that state agency to respond, to allow the public to respond and then for the body to take its collective action and to exercise its collective wisdom. I believe it to be an incorrect practice, however, for us to short circuit that process and simply extract money from any state agency, whether it be the NEOC or any other agency because a senator who was conducting an investigation was not treated properly, not treated with the appropriate amount of respect, not given the information that he asked for and genuinely wanted and in fact what is being done is we are simply responding to the way Senator Beutler was treated.

SENATOR LAMB: Chair recognizes Seantor DeCamp.

SENATOR DeCAMP: Mr. President and members of the Legislature, I think maybe the single most difficult thing I had to learn when I came to the Legislature was you got to know when to hold them and you got to know when to fold them. I used to always have a better idea, particularly my first few years, I could improve everything, an amendment here and a little change there. I guess if I have learned one thing it is that when you get something put together there is a time to quit tinkering and quit playing with it. You start unraveling things and they do unravel in here and they can go on and completely end up opposite what you intended. Now I personally have got deep reservations about whether this whole program, this whole plan, this whole concept is even going to work. If I had my choice we'd do this tax on services, we would make adjustments, we would meet the problem in completely different ways. That is not the direction we have chosen to go. We have chosen this direction, the package has been put together by the Appropriations Committee, I think it is time for us to say, it is time to fold them and advance the bill, quit tampering, quit pulling the strings, send it on. That is not to say that I disagree with what Senator Beutler is doing at all. Not to say that I disagree with what Senator Schmit was talking about on the state employees. It is just that you do one of those it is going to unravel and I think it is time to say stop, advance the bill, see how she works, and if it is wrong we will find out about it soon enough in January but you are not going to change it dramatically with any more amendments at this point. What you will do is jeopardize the entire package. I would say, lets vote them all down, get on with it, advance the bill and hope it all works.

SENATOR LAMB: Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President, again briefly I appreciate Senator Beutler bringing the issue up and I want to make a couple of comments and I would concur, I think with a couple of things Senator Johnson said. First I would remind you that this is one of those commissions that we set up as an executive commission over the years so no elected official is directly responsible, except through the budget process as to its operation once those commissioners are appointed. Secondly though to the credit of that commission that is one of two commissions that comes before the budget committee hearing in which a commission usually makes the principal presentation of the budget and I have always been impressed that those individuals were at least unusually knowledgeable as to the details of its operations. So that part is to their credit. Obviously additional review is appropriate. We have had, this is an agency we have looked at a lot over the six years that I have been here, admittedly most of it at the time it dealt with the kind of backlog of cases that they had and six years ago as I recall it it was something like an 18 month or so backlog and it still is somewhat of a backlog in part by the very nature. But the staffing and the operation has always been a concern. I have heard, and again I don't know, a contributing factor perhaps, and not certainly the factor for turnover, but it is my impression that employees, that is case workers are pushed to perform almost a allotment type basis of so many cases and in some cases do not like to see that done, in an effort to keep the workload, that is the backlog of cases down. But in any event, Senator Beutler's study is going to be a contribution to help us to look in more depth during the 83-84 session. Then I think it would also be appropriate for the substantive committee to look at the whole organizational structure and whether or not the type of accountability that you may want for the operation of this agency should be directly in the hands of an elected official or is this one of those where an executive commission is appropriate for other reasons. But, I agree with Vard to that extent that that whole posture ought to be looked at and obviously we will be reviewing their budget in light of Senator Beutler's work in more depth than we do routinely which is considerable.

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, it shouldn't come as a surprise to anybody that I am opposed to Senator Beutler's offered amendment. This is an agency that deals, attempts to deal with discrimination, race, sex, age and other types if a person can arrange to get it before that commission. This is not a popular area. The commission has never had the employees, never had the power, never had the means to do the job that the Legislature pretended it had in mind for that commission to do. The backlog indicates the amount of discriminatory actions that people feel that they have been subjected too. Now, if Seantor Beutler had done additional research he might be asking to cut some funds out of the Attorney General's budget. Because for those of you who are concerned about old people, if somebody brings an age discrimination case, before it can go to court the Attorney General's

office has to look at it and make some determinations. I am sure that Senator Beutler would be distressed to find out that three people who felt that they had been discriminated against because of age were not out of any right they would have to vindicate their rights because the Attorney General sat on the cases until the statute of limitations ran out. Senator Johnson, I want you to hear that. The Attorney General sat on three age discrimination cases till the legal statute of limitations ran out and then he returned them to the NEOC and said, no work can be done on these because the statute has expired, but it expired while they were in the Attorney General's office. Now these things don't concern anybody. The Attorney General is protected, and, yes, I ran against him and that is how I found it out. I found out how the news media protected him. I found out that Lincoln Journal had some letters written on an issue which they withheld from publication till after the election. So when you are talking about cutting ETV because you trust the commercial news media, there are problems there too. When we were talking about the judges salaries last year Senator Beutler and other lawyers did not want to see us tie those salaries or our attitude to them to how we felt about judges' decisions. The point was that they are doing a job and you should judge them on the basis of the nature of the job and not the fact that they arrive at a conclusion which differs from ours. So, when we come to an agency which deals with those people who have no voice on this floor, other than mine consistently, who are scorned by people in this body who represent business and those agencies that will discriminate, then we are going to deviate from the idea of judging what the commission and the commissioner or the executive director are to do and to say that I am dissatisfied with some particular actions, so I say cut the budget. That is not done with any other agency that would deal primarily with the interest of white people and we know that. This has always been a vulnerable commission as has been the Mexican-American Commission. I will not agree to the type of thing Senator Beutler is attempting here today. I think that there is only one justification for a proposition like this having success, not a justification, a basis for it. It would be an objection to what the commission was established for and what it attempts to do. If there is a genuine concern about discrimination we ought to analyze that commission's weaknesses and do away with the weaknesses and empower it to do the job that we say that we intend it to do. That is not the intention of the Legislature, the Commission is there to give the impression that Nebraska is concerned about fairness when in fact it is not. So I am oppposed to Senator Beutler's effort here and whatever reason you have for voting against it I hope there are enough to defeat it.

SENATOR LAMB: Chair recognizes Senator Koch.

SENATOR KOCH: Mr. Chairman, I move the previous question.

SENATOR LAMB: That will not be necessary, Senator Koch, because you are the last speaker. Senator Beutler to close on his amendment.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I am not hypothesizing facts, the facts are before you on this sheet of paper. It is not a matter of respect, it is a matter of simply taking action when a fact determination has been made. I have made what I have felt are valid fact determinations and I am asking you to take action on them. There is no reason not to take action now and put it off until next session. There will be additional things next session that I will ask you to take a look at. But the facts are the facts and they are here before you right now. I find it curious that Senator Warner can stand up here and say that we should wait until next session so that we can thoroughly investigate this $13,000 when we have taken two days to cut off twenty some, thirty some million dollars? I suggest to you that my investigation of that $13,000 over the summer and fall of this year has been many times more thorough than the Appropriations Committee's two day investigation of thirty some million dollars or more. I suggest to you that it is ridiculous for somebody to stand up here and say that this should be put off but we should vote immediately without general file debate even on this big twenty some million dollar bill. That just doesn't make any sense to me whatsoever. Again, it is only thirteen million or thirteen thousand and I won't belabor it longer and just ask you to vote on the facts that are before you. Thank you.

SENATOR LAMB: The motion is the adoption of the Beutler amendment. Those in support vote aye, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Record, Mr. Clerk. Senator Beutler.

SENATOR BEUTLER: How many are missing?

SENATOR LAMB: There are three excused, Senator Beutler.

SENATOR BEUTLER: Is the 25 votes necessary?

SENATOR LAMB: Yes.

SENATOR BEUTLER: Could I have a roll call vote and a Call of the House.

SENATOR LAMB: A Call of the House has been requested. The question is shall we go under Call. Those in support vote yes, those opposed vote no. This requires a simple majority. Record.

CLERK: 28 ayes, 0 nays to go under Call, Mr. President.

SENATOR LAMB: The House is under Call. Please record your presence. All unauthorized personnel please leave the floor. Would the Sergeant at Arms try to locate Senator Schmit and Senator Fowler. Senator Beutler, we have all of the senators here except Senator Schmit. Would you care to start the roll call at this point?

SENATOR BEUTLER: Is it known where Senator Schmit is? Is he in the building?

SENATOR LAMB: They are looking for him right now, Senator. Senator Schmit is on his way, I am informed.

SENATOR BEUTLER: Why don't you start the call then, Mr. Speaker.

SENATOR LAMB: Mr. Clerk, call the roll.

CLERK: Roll call vote. 19 ayes, 27 nays, 3 excused and not voting. Vote appears on page 58 of the Legislative Journal.

SENATOR LAMB: The motion is not adopted. The Call is raised.

CLERK: Mr. President, the next motion I have is offered by Senator Higgins.

SENATOR LAMB: The Chair recognizes Senator Higgins.

SENATOR HIGGINS: Thank you Mr. President, colleagues, this is an amendment you can all vote for. It is not cutting anybody's budget, it is not hurting anybody. It is just going to save the tax payers some money. I'm sorry I didn't have time to get it copied for all of you but this is what the amendment says. "When any government agency, commission or board holds a meeting, conference or seminar that they be required to hold such gatherings in state, city, county or school buildings where there is no charge for the meting rooms or where the charge is less than a private enterprise would charge them". I want to tell you how I came to write this amendment to the budget bill. Last summer I attended a seminar given by the Eastern Nebraska Office on Aging. It was held in a private motel where they had two meeting rooms. Of course, the cost came out of the budget for the Office on Aging. There were forty employees there at that seminar; state, city, county and perhaps some of them from United Way agencies. If you take the average six dollar an hour wage which many of them were more than that you have a cost of $1,920 just in wages for those forty employees to attend that seminar. It was a brain picking, storm picking seminar. At 4:00 the leader finally said, now that we have all met in these two private rooms that we have rented and had our lunch, what do we want to come out of this seminar? Now can you imagine having a meeting and not even knowing what the purpose of it is? Except to gather forty employees together to spend eight hours and probably more than $1,900. What my amendment is intended to do is to mandate that whenever any government agency has to hold or desires to hold a public meeting or a seminar or a conference they use the facilities available to them at no cost that the tax payers have already built and paid for. For example. The City of Omaha will allow us any government agency or board to use their legislative chambers and conference rooms provided you give them enough notice so that they are not already taken. We have about eight public libraries in Omaha all of which have meeting rooms and they too have said that they would be free for any government agency or even a community organization to use. The State Office Building has conference rooms available

again to any other government agency to use free of charge and yet I find the Office on Aging paying motels for meeting rooms. Now I ask you senators, is there anything wrong with an amendment to the budget and the reason it is on the budget bill is because if it is adopted, obviously it is going to save the state tax payers money by not having to pay to rent these private rooms. I wish I could tell you how much money has been expended this way, but the Office on Aging has not given me those figures on how many meetings they have had like that. I think all of you know that Marge Higgins is always a champion of the elderly. What I resent is the waste of money the Office on Aging going just to have a plush motel to hold a meeting in when it could just as well be held in a public building. I fugre that this amendment will cut down on those expenses in the next fiscal years to come. If it does that, then perhaps that money can be used to truly benefit the elderly. This is the only reason I have offered that amendment to make sure that all of you senators know that all of these facilities are available in Omaha. I'm sure that Mayor Boosalis would probably make facilities available in the Lincoln Civic Center and their libraries, if they have them. I'm sure Senator Nichol's city of Scottsbluff probably has a City-County Building or a library. I wonder if there is any part of the state where we would not have a free public meeting place for state and government agencies to meet. So, I urge your adoption of this amendment in order to save money for future budgets, since it is already too late right now to recoup the loses that we have. Thank you.

SENATOR LAMB: Chair recognizes Senator Cullan.

SENATOR CULLAN: Mr. President, I would ask for a ruling from the Chair as to whether number one, whether this is within the call; number two, if that is unsuccessful, whether that is germane to the bill.

SENATOR LAMB: Senator Cullan, would you repeat your request. I heard the first part but I didn't hear the last.

SENATOR CULLAN: We will try it with the first part first. Is this within the subject of the Call?

SENATOR LAMB: The Chair sustains the point made by Senator Cullan that the amendment is not within the Call as provided us by the Governor. Senator Higgins.

SENATOR HIGGINS: Mr. President, I think I have made my point and any of you senators who are interested in saving the tax payers money I invit you to join me in cosponsoring a bill next January to do this. Thank you. I'm not challenging the Chair, I withdraw it.

SENATOR LAMB: Thank you Senator Higgins. The nst amendment, Mr. Clerk.

CLERK: Mr. President I now have an amendment from Senator Landis to supsend Rule 6, Section 5 and Rule 7, Section 3, and vote on the advancement of LB 1 without further amendment or debate.

SENATOR LAMB: Chair recognizes Senator Landis.

SENATOR LANDIS: Thank you Mr. Speaker. There are five amendments following this one and it seems to me clear from the pattern that is emerging the body has essentially decided that the package brought to us by the Appropriations Committee along with the workings and assistance of a number of other senators is the package that we want to send on the Final Reading. I would suggest we eliminate the rest of what looks to be useless discussion and move this bill to Final Reading. With that I would move the suspension of the Rules and the advancement of LB 1 to E & R Engrossing without further amendment.

SENATOR LAMB: The chair recognizes Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, this vote is one which I think people will make based on how they feel at this point, not based on any argument that anybody might give. So I'm not even going to address that issue to persuade you one way or the other. I can't vote for it but that is not to say that others should not vote for it. I will not vote for the bill itself. So now you know where I am sitting. No matter how much discussion we have, there are provisions that I would like to change by amendment but I have sense enough to see the writing on the wall. I won't waste time offering amendments that I know are doomed to failure anyway. But because I can not agree to certain propositions in the bill as it stands now, I will not vote for its advancement, but I'm not going to hinder those of you who are attempting, I won't hinder you through a lot of discussion, that is, who are attempting to expedite or whatever you are trying to do by what Senator Landis is offering here, I will not support it.

SENATOR LAMB: Chair recognizes Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature I guess I am not as anxious as Senator Landis is not to hear the useless discussion that may or may not come out if we give some people with some ideas to present them to the body. I have heard that there are a couple of suggestions around that may have some merit, and I think that perhaps we should give those discussions the opportunity to be raised. One discussion I heard relates to...amendment relates to employee salaries and perhaps there will want to be a little debate about the merit of increase employee salaries or not. So, I think it is a little prematue of us at this point in time to suspend the rules and move on. Perhaps there are other approaches that some of us would find appealing and we ought not rush off and suspend the rules at this point and time. That can come at a later time if necessary.

SENATOR LAMB: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, could the Clerk read the amendments that are coming up? Just who they are from and what the subject matter is.

CLERK: Mr. President, I have several amendments. One from Senator Wesely that would involve discontinuing well for example the. . . eliminate the General Homestead Exemption, reduce wholesaler cigarette tax discount from 5% to 4%. I believe copies of that amendment have been distributed, Mr. President. I then have amendments from Senator Newell to eliminate funding for two year degrees in early childhood education agriculture at Chadron State College. I then have an amendment from Senator Newell to eliminate General Fund support for AGNET at the University of Nebraska-Lincoln, Institute of Ag and Natural Resources. I then have an amendment from Senator Newell to eliminate operating funds associated with the regional college of veterinary medicine and finally Mr. President an amendment from Senator Newell to eliminate General Fund replacement of Federal Funds to the Nebraska Water Resources Center at the University of Nebraska. And finally Mr. President an amendment from Senator Koch to prevent the University of Nebraska from expending operating funds associated with the regional college of veterinary medicine. That is all I have.

SENATOR BEUTLER: Thank you.

SENATOR LAMB: The Chair recognizes Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature I had an amendment for another bill which would have delayed the salary increase for state employees until July 1,1983. I had the amendment drafted, frankly before the Lincoln Journal editorial. I'm not going to offer that amendment. I think we have a committee which has presented us a proposal that is a reasonable proposal, I very frankly am concerned that we are going to be overdrawn at the bank next January 1st or even before that. I do not agree that we are going to have...that this economy is going to turn around as rapidly as we would like to see it. Without a major turn around in the economy we are gong to be back here in January looking at generally reduced income figures from what we have today I believe. I don't think we are going to solve the revenue problems, nor the appropriation problems of the State of Nebraska until we do what some of us have recommended for a number of years, you have a general rewrite of the revenue laws of the State of Nebraska and try to by some manner or means match expenditures with income. I think at this time for myself, and I do this in all sense of fairness, I think, anyone of us to try to, I shouldn't say nitpick but I'll say pick apart the recommendation of the budget committee is perhaps dipping from a position of less than strength. So basically I am going to support the proposal. I would hope that all of us would support it. We take the package and we accept the responsibility with the knowledge that we may have more serious problems in Janaury, but then at that time we will meet those

responsibilities and try to solve the problems on a more long range basis than we have done in the past several years. So I would ask that we not adopt any of these amendment but that we move on and advance the bills as they have been presented to us.

SENATOR LAMB: Chair recognizes Senator Carsten.

SENATOR CARSTEN: Mr. President, members of the Legislature, I rise in support of Senator Landis' motion. I think that this session has probably been one of the most uncomfortable, unplesant, unsatisfying session that this Legislature has had for a number of years. Not only the Legislature but also the people of the State of Nebraska. I don't believe that there is one single soul in this body or outside of this body that is going to be happy with whatever we do. We need to commend the Appropriations Committee and their staff for the efforts that they have put forth in presenting to us what is in the best knowledge that they have used with the evidence that is at hand at the moment to bring up a middle of the road approach and not put the total burden on one aspect or the other. I believe that it is reasonable and sensible as Senator Schmit has said. I belive, as Senator Schmit said, that what has gone on today before is certainly characteristic of what may very well be to come if we continue with more amendments. We have reached a point where I think that it is either for us to accept that which has been thoroughly and in detail and that was the reason for my question earlier, whether the Appropriations Committee had gone program by program in their analysis of the situation in arriving at a recommendation to this body. It was not haphazard, I think it was thoroughly discussed and thoroughly examined before those reports were submitted to us. I accept them as a part of my responsibility to accept that responsibility that the Appropriations Committee has so capably taken care of. I would urge you to support Senator Landis' amendment and that we will address those issues in January as they occur to us then. We certainly do need, without question, to address more of them what we have at the moment, but I think the session is to short to do that. As I said relative to Senator DeCamp's move the other day, but our committee is going to try to presnt something for the Legislature to consider in the next session and that is, in my opinion, an absolute necessity also. Thank you Mr. President for this opportunity to support the motion.

SENATOR LAMB: Senator Newell.

SENATOR NEWELL: Mr. Presidnet, members of the Legislature, Senator Schmit made some good arguments and it is not often that I publicly admit that he has persuaded me, it is not good at home, but in this case I think Senator Schmit's arguments were in fact good ones and considering the fact that the Appropriations Committee has worked hard, has put together, maybe not the most satisfactory proposal but at least a reasonable proposal. I will very magnanimously or just plain withdraw my amendments, whichever you prefer and thank Senator Schmit for his leadership and guidance in these difficult times.

SENATOR LAMB: Thank you Senator Newell, but I do believe that there are two other amendments so we will have to proceed with Senator Landis' motion, unless they also wish to withdraw their amendments. Next speaker is Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature, I have been here since two weeks ago and it will be a week this Friday, I can stay some more time. I would have liked to have seen Senator Newell debate his amendments. I would like to see more debate, have more people stand up and put their amendments in so they can have their say because this is a deliberate body. This is a big decision that we are making. I too know that the Appropriations Committee has worked hard and I commend them for it. But that doesn't mean that forty nine of us should automatically accept everything that they want to do. We are individuals too. We represent people too. We are senators also. Everybody should have an opportunity to have his say. And not have a power play where we are going to put in a lot of amendments and drag this on and on and on so if you don't shut it off we are gong to be here for a long time. Personally I'll stay. Because I want everbody to be heard and to have their shot at this because it is very, very important and the citizens aren't going to understand this kind of a power play. I voted on the TV thing so people could see how we do things and how are they going to feel about it? They say they deliberated for about three or four hours and they took this thing blind and they didn't make any changes. Why have a Special Session? Just have a few people go down and draw it up and go. So, I personally am going to oppose the amendment. I'll stay and listen. I'm sure that the other senators will too. So I don't think this is the proper thing to do. We have time yet to consider and deliberate and other people put their amendments in. So, I oppose the amendment. Thank you Mr. President.

SENATOR LAMB: Chair recognizes Senator Wagner.

SENATOR WAGNER: Mr. Speaker and members, I rise to support the Landis motion but I would like to make some comments in relation to what Senator Haberman talks about. It is essentially the Appropriations Committee that is kind of just their by themselves. I would like to comment to the fact that there was a joint meeting between the Appropriations Committee and the Revenue Committee trying to arrive at a reasonable solution. I'm not maybe totally happy with everything, but I do echo the support of Senator Carsten and his comments because it is something where we try to hit something that is reasonable as possible from all sides. It is not an easy one. It is not the world's best but under the conditions that exist, I would like to make this a matter of record that I think the Warner amendment is a reasonable one under the conditions that exist. I certainly do go back and support the Landis motion. Thank you.

SENATOR LAMB: Senator Witiala.

SENATOR WIITALA: Mr. President, I would call for the quesiton.

SENATOR LAMB: Do I see five hands? I do. The motion is to cese debate. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Record.

CLERK: 29 ayes, 1 nay to cease debate Mr. President.

SENATOR LAMB: Debate has ceased. Would everyone punch in. Unauthorized personnel. . . okay. Motion is to go under Call. All those in support vote yes, opposed vote no. Record.

CLERK: 39 ayes, 0 nays to go under Call, Mr. President.

SENATOR LAMB: The House is under Call. Plese record your presence. Unauthorized personnel leave the floor. Senator Landis, would you care to begin your closing statement?

SENATOR LANDIS: Mr. Speaker, members of the Legislature, it seems to me that we have either the rest of the afternoon to debate potential issues and get into the business of retribution and crossing of swords and goring oxes and the recent experience of the last two and a half hours leads us, I think, to the conclusion of the die is cast. The Appropriations Committee language seems to have struck a responsive cord in the body and I think we should simply bow to realism and get on with the business of passing it on to Final Reading. I would move that the rules be suspended, that LB 1 be advanced to E & R Engrossing without further amendment.

SENATOR LAMB: Since we are under Call we need to have Senator Kremer, Senator Schmit, Senator Haberman. . . The motion is to suspend the rules. Those in support vote yes, those opposed vote no. It takes 30 votes.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Record.

CLERK: 37 ayes, 9 nays on a motion to suspend the rules, Mr. President.

SENATOR LAMB: Motion is to advance LB 1. It takes 25 votes. All those in support vote yes, those opposed vote no. Senator Chambers, I am informed that the motion read without further amendments or further debate. There seems to be a bit of confusion here between the Clerk's desk and the Senator that intorduced the motion, so at this point I will allow debate on this motion. Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman, I only have one comment to make. Since it appears you want to go on and take the bill through without amendment and probably debate, somebody had better put a motion up there saying that there will be no amendments on Final Reading or any other point. Because there might be members who think that efforts should be made to work with this bill, not to nitpick, not to tear it apart, but have legitimate concerns and interests. Since at this stage, because it is late in the day, I suppose, and people are tired, there will be no attempt to amend it. When people are refreshed and they have had an opportunity, as I like to point out to drink some Ray Charles Coffee, which you know is Maxwell House, there may be a desire at that time to add amendments or attempt it. So if you really don't want to debate or have any more amendments you should get your proposition up there before anybody else does so when that bill lites wherever it is going to lite, all debate and amendments will successfully have been short circuited.

SENATOR LAMB: Senator Burrows, di you wish to debate or is this a previous light? Senator Burrows.

SENATOR BURROWS: I would like to discuss it. I can not support the bill. I appreciate the Appropriations Committee work, I think they have done a lot of good work on the bill, without at least an agreement by the Governor, if we are going to pass the bill and go home, an apppropriations measure, opens up the language where it really turns to the Governor a totally free hand to write the legislation. What we are doing here, I feel, is trivial and totally insignificant in what happens when the bill goes to the Governor's office and he actually writes the cuts that will happen. I would certainly take his word if he made a commitment to abide by the decision of this Legislative body, in advance, I think his word would unquesitonably be good. But, I know of no commitment by the Governor that he would not line item it excactly to his liking with no questions and if we go home that is his sole option, his pure option, an open to him to do. The other way we could avoid this is is before passage of the bill we had a commitment within our body to meet next week with an attempt or an opportunity to override any line item veto of the Governor. I feel strongly we have got the cart in front of the horse if the Legislature wants to be heard and felt as a body, as a legislative body that we are nonfunctioning, giving him an open checkbook to the Governor to write whatever cuts he likes if we pass this bill in any form prior to some commitments either of adjourning again after the passage and after the veto powers of the Governor come about or after any commitment by the Governor to accept or reject or state what he will do on this issue when it hits his desk. I feel all of us should expect something on this. I think we are giving up our total obligations as senators unless one of these two things comes about prior to the final passage of this bill. So I will vote against it on that basis. Tehre are some cuts which could have come about, I think strongly, state aid cuts that would I think severely turn the revenues back on the property tax which I think is the most disturbing tax to the tax payers of this state. That is why I am going to vote against it at this point. But, would remain open to changing my mind if I could see one of these positions changed. Thank you.

SENATOR LAMB: Senator Burrows, if I could just offer one comment. We do have an agreement with the Governor that if we get the bill over there Saturday morning by 11:00 a.m. he will return the bill over to us by 3:00 in the afternoon on Saturday, so there will be an opportunity to override any possible vetoes. Next speaker is Senator Kahle.

SENATOR KAHLE: Mr. President, I think that you have answered most of the question that I had and the understanding that I had but I for one, if this would fall through and we could not get the Governor's.cuts back or whatever he is going to do with it, I would be very much in favor of not adjourning sine die on Saturday but keeping the Legislature just adjourning until a later date. because I do think too, as Senator Burrows has just mentioned, we spend seven. or eight days down here and as Senator Haberman said he spend a lot more than that, I sure that the Appropriations Committee has spend a lot mroe than that I wouldn't be in favor of just tossing the bill up in the air and going home and letting the executive Branch do what they please with it. Thank you.

SENATOR LAMB: Chair recognizes Senator Koch.

SENATOR KOCH: (No response).

SENATOR LAMB: Senator Higgins.

SENATOR HIGGINS: Mr. Speaker, I just have one question. If we are going to meet at 3:00 Saturday afternoon, are we going to have Mr. Football of KFAB on live here for everyone here to listen to the game?

SENATOR LAMB: That possibly could be arranged.

SENATOR HIGGINS: Thank you.

SENATOR LAMB: Since there are no more lights on the board, Senator Warner do you wish to close on the bill before we advance it?

SENATOR WARNER: Mr. President, members of the Legislature, just briefly, I share a comment that several of you have made that probably what is contained in the bill was not to anybody's liking specifically because obviously it is trying to do the best with something with a very difficult situation. Secondly that what is envisioned at least as happening with the total issue will require the cooperation not only the legislature as well as the executive branch of government and obviously I would presume that the Governor may give some indication before the vote, but he may not, I do not know, but in any event efforts can be made to ascertain that. The other thing is though that there is one thing that I think we were attempting to do in this and that is to also take into account the fiscal issues that will be before us in the 83 session, in the 83-84 budget and at least what you are considering in this bill gives us I think the best opportunity to perhaps get this chapter of Nebraska's history behind us in terms of the fiscal problems and perhaps start the new chapter

with the 83-84 fiscal year with not the problems avoided because there will be a continuing difficult appropriations issue as the economy stays as it is, but at least we can address it from that point forward rather than having to include existing problems carried over into that difficult time as well. So I would move the bill be advanced.

SENATOR LAMB: The motion is to advance LB 1 to E & R Engrossing. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? A record vote has been requested. Have you all voted? Record Mr. Clerk.

CLERK: Record vote read. 35 ayes, 9 nays, 2 present and not voting 3 excused and not voting. Vote appears on pages 59-60 of the Legislative Journal.

SENATOR LAMB: The bill is advanced. Do you have some items to read in Mr. Clerk?

CLERK: Very quickly Mr. President, I have a request from Senators to add the names of the Appropriations Committee to add the names of Senatrs Warner, Cope Dworak, Carsten, Remmers, Chronister, Kahle, Nichol, Vard Johnson, Landis, Kremer, Wagner, Barrett, Hefner, Goodrich and Fowler to the Appropriations Committee amendment previously adopted by the Legislature.

Mr. President, Senator Hefner would like to announce an Executive Session of the Miscellaneous Subjects Committee upon adjournment Friday. Again the Executive Board. . . I'm sorry Mr. President, the Miscellaneous Subjects Committee will meet Saturday upon recess. The Miscellaneous Subjects, Saturday morning upon recess, Mr. President.

SENATOR LAMB: We will need a quorum here at 5:00 in order to have the bill Engrossed. Then the schedule beyond that is to meet tomorrow morning at 10:00 for a short time. Then on Saturday we need to meet at 8:00 a.m. in order to start reading the bill. As soon as the bill is passed, if it is passed, then we will send it over to the Governor and the Governor will get it back within the time table that we explained. At least by 3:00 p.m. and it may be much before 3:00 p.m. on Saturday. Senator Nichol, for what purpose do you rise?

SENATOR NICHOL: If that would be the case then we should like to override line item vetoes of the Governor, we could still do that Saturday afternoon could we not?

SENATOR LAMB: That is correct.

SENATOR NICHOL: Then the second question is do you still want the Executive Board meeting tomorrow after 10:00 a.m. after our meeting?

SENATOR LAMB: That is correct. How many people can be here at 5:00 p.m.? Could we have a straw vote? Lets use the board. How many people can be back here at 5:00 p.m.? We need to have a quorum at 5:00 p.m. so we can readvance the bill. We need a few more people that are going to promise to be back here at 5:00 p.m. Senator Duda, would you care to recess us until 5:00 p.m. this afternoon.

SENATOR DUDA: Mr. President, I move that we recess until 5:00 this afternoon.

SENATOR LAMB: All those in favor say aye, opposed no. We are recessed.

RECESS

SENATOR LAMB: Have you all recorded your presence? Record, Mr. Clerk.

CLERK: There is a quorum present, Mr. President.

SENATOR LAMB: Do you have a report?

CLERK: Mr. President, your Committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 1 and find the same correctly engrossed. That is signed by Senator Kilgarin as Chair. That is all that I have, Mr. President.

SENATOR LAMB: Does anybody want to make a speech? Senator Cope, would you care to adjourn the body until ten o'clock tomorrow morning. Senator Cope. Senator Cope, would you care to adjourn the body until ten o'clock tomorrow morning.

SENATOR COPE: Mr. President, it gives me great pleasure to ask that this body be adjourned until ten o'clock Friday morning, right? Tomorrow morning, whatever it is.

SENATOR LAMB: All those in favor signify by saying aye. Those opposed no. We are adjourned.

SENATOR HIGGINS: Mr. President, I would like to rise on a point of personal privilege.

SENATOR LAMB: Please state your point.

SENATOR HIGGINS: I did not vote for Senator Landis' resolution and I would like to explain that when I campaigned for office, the promise I made to the people of my district was I will always vote with you and never against you. The people in my district did not support Governor Thone and, therefore, I could not sign the resolution as Senator Landis and other Senators...I beg your pardon. Does somebody else have the floor? This was my reason for not supporting the resolution because the people in my district did not support the Governor's record. I could not then go against the people in my district and vote against them when I promised to always vote with them, and there is nothing personal in it.

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: While the Legislature is in session and capable of transacting business, I propose to sign and I do sign engrossed LB 1 and engrossed LB 2.

CLERK: Mr. President, I have a motion from Senator Dworak to suspend Rule 4, Section 6, so as to permit consideration of LR 2 today.

PRESIDENT: The Chair recognizes Senator Dworak.

SENATOR DWORAK: Mr. Lieutenant Governor, I move that we suspend the rules to insert the following resolution and I would read the resolution now. (Read LR 2. See pages 76 and 77, Legislative Journal.) I move the adoption of that resolution.

SENATOR LAMB PRESIDING

SENATOR LAMB: Senator Higgins.

SENATOR HIGGINS: Mr. President and colleagues, I would second this resolution. I have not had the privilege and the pleasure of serving with Lieutenant Governor Luedtke for more than two years but I do think he has been a very fair President of this legislative body. Can I have a little quiet please.

SENATOR LAMB: Yes, could we come to order. Senator Higgins....we are having difficulty hearing Senator Higgins and we would appreciate it if you would hold it a little quieter.

SENATOR HIGGINS: I will repeat, though we are of opposite political parties, I think Lieutenant Governor Roland Luedtke has been the most ethical President of this legislative body that I have ever read about and I have ever had the

the door, a little bitty tear let me down." Paraphrase that. When I walk out of this chamber for the last time as a member of your staff and again when I walk out of the east door of this building for the last time as a member of your staff, I'm not sure it will be only a little bitty tear that will let me down. I might go out bawling. I won't say goodbye. That is too final a word for me. I wish that the English language had something like the Japanese, sayonara; or the Spanish, hasta leugo; the German, auf wiedersehen; the French, au revoir, till we meet again because we certainly shall meet again. I've already alerted my brother, his wife, his son, his daughter and his son-in-law that my first full retirement winter will be spent in Honolulu. About the day that the next session starts, now Karen wants to go with me. I believe she is the ninth woman scheduled to go with me on that trip and my brother, I know, has ample accommodation. He has a one bedroom apartment. I will be back in late March. I'm not yet going to start drawing state retirement. That will probably be done the first in July but somehow or other somebody told me that once you retire you still have to pay income tax so I have to be back to take care of that. It has been wonderful years here. The primary challenge for many, many years was mental. Today it is physical. I love a mental challenge. I don't like the twelve, fourteen, sixteen hour days including Saturdays and Sundays so I leave you. My thoughts will always be with you. Continue to serve the state as you have. The state should be very happy to have the dedicated people that have been in this Legislature and will continue to be here. In conclusion, may God bless you and keep you. You will be forever in my thoughts. Thank you.

PRESIDENT: The Chair would like to say while Emory is still here that since my beginning in the many, many years ago in this body as E & R chairman, there is the guy that gives you the lead as to how to carry on in this body so, Emory, thank you, and I think I can say for all of us to you, well done, well done and God's blessings to you wherever you go, whatever you do. The Clerk has some matters to read in. Go ahead.

CLERK: Mr. President, your Enrolling Clerk respectfully reports that he has on this day at 9:50 a.m. presented to the Governor for his approval the following bills: LB 1 and 2.

PRESIDENT: All right, we will now have our usual motions for bringing this session to a close. Senator Dworak, I am going to ask you to make the first motion. You don't have it on your desk so I will have the Clerk read it. Then if you would just move the...go ahead, Mr. Clerk.

CLERK: Mr. President, Senator Dworak would move that all bills not otherwise disposed of, excluding vetoed or line-item vetoed bills on this date, be indefinitely postponed.

SENATOR DWORAK: So moved.

PRESIDENT: All right, motion is made. Any discussion? All those in favor