

January 11, 1982

LB 115A, 488A, 511, 768-771

CLERK: Mr. President, Senator Fowler would like to print amendments to LB 115A in the Journal. Senator Lamb to LB 511. (See pages 226-227 of the Journal.)

A new A bill, LB 488A offered by Senator Goodrich. (Read.) New bills, Mr. President, (Read by title for the first time LBs 768-771 as found on pages 227-228 of the Legislative Journal.)

Mr. President, again a reminder that the Education Committee will meet upon adjournment in Room 1517, that is the Education Committee in Room 1517 upon adjournment, Mr. President.

Finally, Mr. President, I have a reference report from the Reference Committee.

SPEAKER MARVEL PRESIDING

SPEAKER MARVEL: Okay, I would remind the chairmen that we would like to have a meeting tomorrow morning in Room 2102 at eight-thirty and I hope you will bring some of your ideas, suggestions and criticisms, the chairmen in the meeting that you request that we have every Tuesday. Now Senator Haberman, do you wish to adjourn us.

SENATOR HABERMAN: I move we adjourn until nine o'clock tomorrow morning.

SPEAKER MARVEL: The motion is adjournment until nine o'clock tomorrow morning. All those in favor say aye, opposed no. The motion is carried. We are adjourned.

Edited by Arleen McCrory.
Arleen McCrory

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LB 211, 488A

Senator Stoney offers explanation of vote, Mr. President.

Senator Newell moves to withdraw LB 211 from consideration. That motion will be laid over pursuant to our rules.

SENATOR CLARK: The Call is raised. We will now take up LB 488A.

CLERK: Mr. President, LB 488A offered by Senator Goodrich. (Read title.)

SENATOR CLARK: Senator Goodrich.

SENATOR GOODRICH: Mr. President, members of the body, this is the A bill that goes with the constitutional amendment, I am sorry, the bill that raises the salaries on constitutional officers and it calls for around \$5,700 this year and I would just move the advancement of the bill so we can get it over to Final Reading so when the bill itself is considered on Final Reading we have this one with it.

SENATOR CLARK: Is there any discussion on the bill? Senator Kahle.

SENATOR KAHLE: Well, Mr. President, members, maybe just a little bit of an explanation. This bill, of course, was brought last year, 488, by the Government Committee. The bill itself is setting up there on Final Reading and we did not vote on it last year at the latter part of the session. Had it been passed last year, we would not have needed the A bill because the salaries would not start until January 1, 1983. Now as we did not pass it last year and it will be up this year for supposed passage, we needed the A bill because part of that salary will be in this fiscal year. That is the reason for the A bill now and the reason we didn't have it last year. Thank you.

SENATOR CLARK: All those in favor of advancement of the bill will vote aye, opposed vote nay. A record vote has been requested.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted? I think due to the weather the action has slowed down. We are voting on the advancement of 488A. Have you all voted who wish to vote? We must get moving someday. Senator Goodrich.

SENATOR GOODRICH: Mr. President, in order to get the thing decided one way or the other, let's have a Call of the House and let's have a roll call vote.

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LB 488A, 597

SENATOR CLARK: A Call of the House has been requested. All those in favor of a Call of the House will vote aye, opposed vote nay. Record the vote.

CLERK: 13 ayes, 0 nays to go under Call, Mr. President.

SENATOR CLARK: The House is under Call. All Senators are to return to their seats and check in please. Would everyone check in please. There is no one excused. We need Senator Cullan, Senator Goll, Senator Schmit, Senator Lamb, Senator Rumery. Senator Cullan is excused. Senator Fenger. Senator Von Minden, will you tell us you are here please. Senator Landis, will you poke your button please. We are looking for Senator Fenger and Senator Lamb. We are under Call. All Senators will remain in their own seats please. Senator Goodrich, did you want a roll call vote? We are short two people, Lamb, and Fenger is here. They are all here. The Clerk will call the roll. If you will hold the conversation down the Clerk will be able to hear the response.

CLERK: (Roll call vote taken. See pages 534 and 535, Legislative Journal.)

SENATOR CLARK: Will you repeat what we are voting on?

CLERK: Mr. President, the motion is to advance LB 488A. (Roll call vote continued.)

SENATOR CLARK: (Gavel.) The Clerk just cannot hear. If you will just give a little courtesy please.

CLERK: (Roll call vote continued.) 24 ayes, 23 nays, Mr. President, on the motion to advance the bill.

SENATOR CLARK: The bill fails to advance. We will now take up 597. The Call is raised.

CLERK: Mr. President, LB 597 offered by Senator Nichol. (Read title.) The bill was read on January 6 of this year. It was referred to the Judiciary Committee, Mr. President, for public hearing. The bill was advanced to General File. There are committee amendments attached.

SENATOR CLARK: Senator Nichol, do you take the committee amendments?

SENATOR NICHOL: Yes. The committee amendment merely has to do with not allowing this on military vehicles which the Military Department did not want and we didn't want them on

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LB 404A, 488A

PRESIDENT: Motion carries and LB 404A is advanced to E & R Initial. The next bill, 488A.

CLERK: Mr. President, LB 488A is a bill introduced by Senator Goodrich. I have a motion from Senator Goodrich to indefinitely postpone the bill, Mr. President.

PRESIDENT: The Chair recognizes Senator Goodrich.

SENATOR GOODRICH: Mr. President and members of the body, this is the....488 is the constitutional officers' pay bill and the A bill, for example, would appropriate \$33,880 for this particular current coming year. After a conference with the constitutional officers group, we have decided we don't really need the bill, so I made the motion to indefinitely postpone it so it wouldn't have to lay over. I would ask you to indefinitely postpone the bill.

PRESIDENT: The Chair recognizes Senator Kahle and then Senator Warner.

SENATOR KAHLE: Mr. President and members, perhaps a question of Senator Goodrich.

PRESIDENT: Senator Goodrich, would you respond?

SENATOR GOODRICH: Yes.

SENATOR KAHLE: What is your intention then when it comes to the Final Reading of 488 on Final Reading?

SENATOR GOODRICH: Have it read and let this body make this decision. If the bill passes, the various agencies, for example, and....it's assuming that the bill stays in its present form, each of the agencies would have to absorb about \$5000 or less for the last half of this year, if the bill passes in its present form. And they say they can do that. I would suggest that that is the way we could do it.

SENATOR KAHLE: What you are saying then is that 488, if it does pass on Final Reading would still require the salary increase. Is this correct?

SENATOR GOODRICH: After all the constitutional officers take their office assuming they are all reelected, after the elections in other words and the reinstalling them in their offices, the bill would then be implemented because it cannot be implemented until such time as there is an election in each one of the offices and consequently it won't take effect until January of '83, and for the balance of that

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particular year is what this A bill would cover. Now they are saying that they can absorb it for that period of time and we did not need the A bill, so even if we pass the bill LB 488, which I fully intend to have read on Final Reading, and if this body passes it in its present form, so be it, and they will absorb it and we will go from there.

SENATOR KAHLE: I would like to alert this body that this is a sleeper because while we are trying to blunt the cost of this salary increase for this fiscal year if we don't do something about it, we are going to allow the salary increase to take place for the other...what would it be, seven quarters or seven halves of the four-year term and I don't believe that is the intention of this body. So I am not so upset about not passing LB 488A but I don't believe we are facing up to the problem. I think we are trying to sweep it under the rug. So I alert you that if this bill is killed and the 488 passes, you are going to put into motion a terrific or considerable increase which we thought was legitimate last year but under present economic conditions I think it is out of reason. So for that....I am surprised that Senator Goodrich hasn't come in with an amended A bill for 488 that would be more reasonable. Now the only choice we are going to have is either to vote 488 when it comes up, up or down, which will mean either a considerable increase for those offices or none at all. I don't know what to say at this time only to make you alert to what could happen because if there is no A bill you are either going to have to vote it up or down.

PRESIDENT: The Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President and members of the Legislature, I haven't talked to Senator Goodrich. I didn't realize the kill motion was there, but I would oppose killing it at this time. I think it ought to be advanced and there is two or three things. Number one, I would be very hard pressed to treat this differently than we would any other change in appropriation. If we can reduce the various agencies involved by the dollar amount of the increase in the general appropriation bill, then pass the A bill, that would be a straight-up way to do it I would think and consistent with the way we handle other legislation. But I also can....it seems to me and this is really off the top of my head, but it seems to me that there have been occasions where there are court cases that if the Legislature has approved a salary adjustment for constitutional officers and I think probably in the case of judges and did not make the appropriation they have still ruled and DAS has paid whatever was required by that statute as the Constitution taking precedence and in

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effect they called it an appropriation bill. And if that would be true of this one, you know, whether you have got the A bill or not the cost is going to be there and again it is straight-up to put the A bill out. So I guess, Senator Goodrich, from no more than I know at the moment I certainly would oppose killing this. I would hope it would be advanced and if adjustments can be made somewhere along the line that compensates for the cost, then I would have no problem with it. But I would hate to see the concept of the A bill circumvented because it would set a very poor precedent for a whole lot of other legislation.

PRESIDENT: The Chair recognizes Senator Burrows.

SENATOR BURROWS: Mr. Speaker and members of the body, I would have to oppose killing this bill at this point, although I am going to oppose the constitutional officers' salary increase. I think it is totally unfair to increase these salaries when the lower paid state workers are not getting their increases in salaries. I think this would be a real miscarriage of justice. Now if there is 5000 I think was the figure I heard that can be taken to cover these constitutional officers' salary increases within the agencies, it looks like it is an admission that the constitutional officers that the appropriations for these agencies are already \$5000 too high. Or is it going to come out of potential salary increases for the lower paid workers? I don't think we should kill this bill and try to sneak it out of the ongoing appropriations. I think it should go up-front and be a direct cost if it is going to be there or else we should go back and kill the bill, LB 488, and then take \$5000 out of each of these agencies if we are really out to save state taxpayer dollars. Thank you.

PRESIDENT: Senator Goodrich, will you close?

SENATOR GOODRICH: Yes. Mr. President and members of the body, would Senator Kahle and Senator Warner both follow through on what I am about to say here because I fully intend to try to amend 488 so that the raises that are in the bill now are going to be changed to the same kind of a principle like the 5 percent increase that we did for the judges' salary bill that was proposed for the judges' salary bill. So the fiscal impact which, for example, for the last half of this particular fiscal period we are about to appropriate money for, this coming year, the fiscal impact would be \$33,880, but that will be substantially reduced by virtue of amending the thing to a 5 percent increase for each of the constitutional officers each year. Now, consequently

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the amount of money we are talking about is substantially, going to be substantially reduced if we are successful at amending that bill. Now that, as I say, I can't tell you we are going to do it because we haven't made that decision on the floor yet. But regardless it will not cost \$33,000 for the balance of this coming year. The total cost if we left 488 on the books or if we passed it, for example, just the way it is printed now, the total cost would be \$67,640 on an annual basis. However, again as I say we are going to try to amend the bill down to a 5 percent increase each year for the four-year period that they are in office. So, consequently, there is not really a severe need for this particular A bill. Now, it is for that reason that I am asking that it be killed. If it isn't killed, that is not a big thing. We will just advance it and then amend it also. But it is a matter of making sure we get 488 considered and if we don't really need the money, why spend it? That is my philosophy of trying to kill the darn thing now. But if you want to keep the A bill alive, so be it. It is not a big thing. It is not going to be even the \$33,000. It will probably be half that or a little less than half that, in fact, a matter of \$15,000, something like that. So, consequently, all these agencies, the seven agencies could actually absorb this \$15,000...\$16,000, something like that, in their present budgets. That is the logic that I followed when I decided, forget it, why bother with an A bill. For that reason I am going to ask that we go ahead and kill the bill now. Let us take that vote. If it dies, fine. If it doesn't, then we will just advance it with the understanding that we are going to be reducing it anyhow.

PRESIDENT: Senator Kahle, he was closing, did you have a clarification or something you want to question, or what?

SENATOR KAHLE: The clarification would be...and I certainly know he was closing but it would seem to me we should not kill the A bill and work on it instead of the bill itself because that is where the money is.

PRESIDENT: That is the issue. So the question is motion to indefinitely postpone 488A. All those in favor vote aye, opposed nay. Have you all voted? Have you all voted? Senator Goodrich, I don't know what you want to do, there is a whole number of people that aren't voting, so....ready, take it.

SENATOR GOODRICH: Let it go.

PRESIDENT: Record the vote.

SENATOR GOODRICH: I will just make another motion.

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PRESIDENT: Record the vote.

CLERK: 9 ayes, 20 nays to indefinitely postpone the bill, Mr. President.

PRESIDENT: Motion failed. We will go on to the...all right, you want to advance. Go ahead, Senator Goodrich.

SENATOR GOODRICH: Now, Mr. President, since we have not killed the bill I am going to ask you to advance LB 488A in its present form with the understanding that we are going to be taking up an amendment to 488. I am going to try to bring it back from Final for an amendment to reduce the amounts of the increases so that we then will know, later on we will know what the exact amount is to put in the A bill. But we won't know that until we take an action on 488A...488 itself rather. So I ask you to advance 488A with the understanding that on Select File we will amend it down.

PRESIDENT: Any further discussion? Senator Higgins and then Senator Kahle.

SENATOR HIGGINS: Mr. President, I would like to ask Senator Goodrich if he would yield to a question.

PRESIDENT: Senator Goodrich, will you respond?

SENATOR GOODRICH: Yes.

SENATOR HIGGINS: Senator Goodrich, you said that on Final Reading you will propose an amendment to reduce the amount but I don't believe you said how much. Would you care to tell us what amount you will reduce it?

SENATOR GOODRICH: Senator Higgins, on 488 period, in other words that is the actual bill itself, we have to pass that before the A bill is....before we even want the A bill. Now, we are going to try to amend, bring....488 is on Final right now. We have to bring it back and try another amendment on it to reduce the increases, the salary increases for the constitutional officers and then when that decision is made by this body, that will tell us how much we reduce the A bill to because we won't know how much the A bill is going to need until we actually take that action and the floor votes one way or the other on the motion to reduce the increases on 488. I would suggest it will probably cut the A bill is half. That is just my guess though right now. And right now the A bill calls for \$33,880 for the balance of this forthcoming year. I am guessing again but I

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am guessing it will probably run it...cut it in half, about \$15,000...\$16,000.

SENATOR HIGGINS: So since it is your bill then I can presume you would be the one to introduce an amendment to reduce the amount of the salary increases for all the elected constitutional officers?

SENATOR GOODRICH: Yes, and by the time this one moves over to Select File in that period of time I will take up the motion on 488 itself and get that decision made by the floor and then we will know what to put in this before this advances off of Select File.

SENATOR HIGGINS: But you do have a figure in mind?

SENATOR GOODRICH: Without putting the pencil to it and I will ask for the figure from the fiscal staff, but without putting a pencil to it I am just guessing 15 to 16 thousand is the maximum we are going to need.

SENATOR HIGGINS: For the entire bill?

SENATOR GOODRICH: Yes.

SENATOR HIGGINS: So over a four-year term it would be \$60,000.

SENATOR GOODRICH: And that covers all 7 agencies.

SENATOR HIGGINS: Okay, and then you think each agency would absorb that cost. It wouldn't come from any other agency.

SENATOR GOODRICH: Let's wait until we get to Select File and we get that decision made on 488 and then we will know what this is...what this figure is, the final figure we are going to need here and then the body can decide whether they want to kill the bill or advance it....I mean kill the A bill or advance it. Frankly, the agencies say they can absorb it so if they can, why give them more money? It is as simple as that. But we can make that decision on Select File and I will bring this whole thing out again when we get the 488 decision made between now and before this advances off Select File.

SENATOR HIGGINS: Okay, Senator, I think you have answered my question. The agencies feel they can absorb that increase at that time which would sound to me like they have got more than they need now. Thank you, Senator.

PRESIDENT: The Chair recognizes Senator Kahle.

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LB 488A, 609A, 714A

SENATOR KAHLE: Mr. President and members, Senator Goodrich's explanation is exactly what I was driving at a bit ago. I think we need to look at this thing as we go along. I think the A bill should be moved. I would agree with him that economic conditions have changed since the Government Committee had a hearing on this last year and we came up with the salary scale that is in 488 now, and I am happy to support his move now to move 488A to Select File and then offer some amendments later or work on 488 on Final Reading. I think that is the proper approach and the way it should be done. So I support Senator Goodrich in this move.

PRESIDENT: Senator Goodrich, anything further? The question then is the advance of LB 488A to E & R Initial. All those in favor vote aye, opposed nay. Record the vote.

CLERK: 28 ayes, 1 nay on the motion to advance the A bill, Mr. President.

PRESIDENT: The motion carries and LB 488A is advanced to E & R Initial. The next bill is LB 714A.

CLERK: 714A offered by Senator DeCamp. (Read title.)

PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DeCAMP: I move it be advanced.

PRESIDENT: Any further discussion? Opening and closing. All those in favor of advancing LB 714A vote aye, opposed nay. Have you all voted? Record the vote.

CLERK: 25 ayes, 1 nay, Mr. President, on the motion to advance the A bill.

PRESIDENT: The motion carries and LB 714A is advanced to E & R Initial. The next bill is LB 609A.

CLERK: 609A offered by Senator Marsh. (Read title.) Mr. President, there are amendments pending by Senator Marsh.

PRESIDENT: The Chair recognizes Senator Marsh.

SENATOR MARSH: Thank you, Mr. President, members of the Legislature, the technical amendment changes the total agency figure from \$445,000 to \$73,000. It is an error in the way it was originally printed. I ask for your adoption of the amendment.

PRESIDENT: All right, any discussion on the Marsh amendment

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LB 404A, 488A, 609A, 714A,
LB 522A, 755, 756, 933, 942

SENATOR LAMB: The motion is to have a Call of the House. Those in support vote aye, those opposed vote no. Record.

CLERK: 17 ayes, 0 nays, to go under Call, Mr. President.

SENATOR LAMB: The House is under Call. All unauthorized personnel please leave the floor. All senators will be in their seats. Please record your presence. Call in votes will be accepted.

CLERK: Senator Fowler voting yes. Senator Vickers voting yes.

SENATOR LAMB: Senator Wiitala, Senator Koch, Senator DeCamp, Senator Schmit, Senator Labedz, Senator Wagner, please record your presence.

CLERK: Senator Labedz voting yes.

SENATOR LAMB: We're looking for Senator Chambers, Senator DeCamp and Senator Koch.

CLERK: Senator Fenger voting no.

SENATOR LAMB: Senator Johnson, we are missing only three people. Are you ready for the roll call?

SENATOR V. JOHNSON: Roll call then, yes, please.

SENATOR LAMB: Will you please call the roll, Mr. Clerk?

CLERK: (Read roll call vote as found on pages 1376-1377 of the Legislative Journal.) 27 ayes, 17 nays, Mr. President, on the motion to advance the bill.

SENATOR LAMB: The bill is advanced. LB 942, Mr. Clerk.

CLERK: Mr. President, if I may right before that, your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 404A and recommend that same be placed on Select File with E & R amendments; 488A, 714A, 609A, 755, 756 and 933 with E & R amendments attached. (See pages 1377-1378 of the Legislative Journal.)

Mr. President, LB 942 was last considered by the Legislature yesterday. (Read title.) The bill was first read on January 19. It was referred to the Budget Committee for a hearing. The bill was advanced to General File with committee amendments attached, Mr. President. Yesterday the Legislature adopted portions of the committee amendments. I believe

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LR 271
LB 693, 488A, 591, 603

body applying our laws and formulating the appropriate tax rates. I do not enjoy the erosion of our state tax base by the federal government. I think it is wrong for us not to respond to the erosion of the state tax base by the federal government and accordingly I have decided to support LB 693 because at least that will tend to ensure to us as a Legislature and to the state that whatever federal changes are made that have an adverse effect on our state tax system can be countered and will be countered by the State Board of Equalization and Assessment by making a countervailing move in terms of our state tax rates. So as long as we piggyback the federal income tax system, I do think this is the appropriate policy to follow, and it is for that reason I decided to support LB 693.

SENATOR CLARK: All right, the question before the House is advancement of the bill. All those in favor vote aye, opposed vote no. Senator Carsten, did you have any closing? All right.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Record the vote.

CLERK: 25 ayes, 1 nay, Mr. President, on the motion to advance the bill.

SENATOR CLARK: The bill is advanced. The next bill we will take up after the Clerk reads in.

CLERK: Mr. President, Senator Goodrich would like to print amendments to LB 591 in the Legislative Journal.

Mr. President, Senator Chambers offers explanation of vote.

Mr. President, a new resolution, LR 271, (read). (See pages 1443 and 1444, Legislative Journal.) That will be laid over, Mr. President.

Mr. President, Senator Goodrich would like to print amendments to LB 488A in the Legislative Journal.

SENATOR CLARK: LB 603. Senator Cullan. We are going to start on this bill. We probably can't finish it before noon.

CLERK: Mr. President, LB 603 (read title). The bill was read on January 6 of this year, and at that time it was referred to Judiciary. The bill was advanced to General File with committee amendments attached. Mr. President, the bill was considered by the Legislature on March 17. At that time

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CLERK: Mr. President, there are E & R for LB 488. (sic.)

SENATOR KILGARIN: I move we adopt the E & R amendments to LB 488A.

SENATOR LAMB: Those in support signify by saying aye, those opposed no. The E & R amendments are adopted.

CLERK: Mr. President, I now have an amendment from Senator Goodrich to the bill.

SENATOR LAMB: Senator Goodrich.

CLERK: Senator, your amendment is on page 1444 of the Journal.

SENATOR GOODRICH: Mr. President, members of the body, you will recall when we advanced this bill off of General File the bill was advanced with the understanding that I was going to adopt an amendment on it which would take the fiscal impact of the bill down and that is what this amendment does. It converts the bill from a straight 5% increase in salaries for the constitutional officers to a 5% per year provision and consequently over a four year period literally we are giving the constitutional officers their raise at the 5% per year as that is what this bill does. It provides the funding for it. The funding here is \$9,363 of which \$3,570 is for the Public Service Commissioners and the rest of it is constitutional officers so it is about \$6,000 for the constitutional officers and \$3,500 for the Public Service Commissioners. The purpose of this amendment is to reduce the fiscal impact on the A bill down to \$9,300. You will recall when I estimated it on the floor I figured it would be close to \$15,000 but it doesn't go that high. It is only \$9,363. I move the adoption of this amendment.

SENATOR LAMB: Senator Kahle.

SENATOR KAHLE: Mr. President, members of the body, I'm sorry, Senator Goodrich. I was out just a minute. Is that 5% for each year for the coming four years still in the bill?

SENATOR GOODRICH: Yes...well it isn't in the bill yet. We have to bring the regular, the 488 itself back to put that in it but this is in anticipation of that move to do that.

SENATOR KAHLE: Okay. Have you given any thought to giving them a flat raise and not an increase of 5% for the next four years?

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SENATOR GOODRICH: Literally what I am doing is letting the constitutional officers discuss this among themselves and get some kind of a consensus of opinion among themselves as to what they can settle for or work with because you remember if we don't do this it will be four years down the road before we can do it again and I just let them discuss it among themselves, taking the economy of the state into consideration, that sort of thing. They decided okay, we will go back to the 5% figure like the employees were going to get and that sort of thing and they decided okay, we would settle for that.

SENATOR KAHLE: Well my problem I guess is that we are evidently going to build in a 5% increase for the next four years. Is that correct?

SENATOR GOODRICH: Well it is except that it is compounding and you know you don't give 20% the first year. You give 5% the first year and the 5% the second year so literally you are only giving them a 2.5% per year because you are only going to give them half of the 5% per year because it is not effective for the full four years. In other words, the whole amount isn't effective so literally the net effect is that we are giving them a 2.5% increase each in their salaries over a four year period.

SENATOR KAHLE: When would this start then?

SENATOR GOODRICH: With the incoming...after the next election, in other words.

SENATOR KAHLE: Well your mathematics is different than mine. If you add 5% one year and then the next year you add 5% you are adding on to the 5% you added the year before and if you do that for four years straight why you've got considerable more than a 20% increase. Is that right?

SENATOR GOODRICH: That is true except that over a period of four years you are giving them 20%. Right? But you are only going to give them half of it for the four year period.

SENATOR KAHLE: I assume you are taking in the last four years with that also.

SENATOR GOODRICH: The straight four year period, your 5% per year but you are only giving them 5% the first year, 5% the second year, 5% the third year so literally it is like giving them 10% over four years. Now you divide that by four and you've got 2.5%.

SENATOR KAHLE: Well the thing that I am bothered with, we

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are talking about an eight year period of time here. If we don't pass some kind of....

SENATOR GOODRICH: No, four years. A four year period.

SENATOR KAHLE: Well we are talking about eight years, from the time they have had a raise.

SENATOR GOODRICH: Well that is true, yes.

SENATOR KAHLE: And they have not had a raise in the last four years but other state employees have.

SENATOR GOODRICH: Right.

SENATOR KAHLE: So what I am driving at is that I would much rather see a 5% increase for the past four years and nothing for the next four years because I don't think that anybody else is going to get that kind of raise over the next four years. Would that be anything you could accept?

SENATOR GOODRICH: Well as I have said before, Senator Kahle, I'm letting it up to the constitutional officer to discuss it among themselves and this is what they have come up with so I said, look, you fellows decide it and I will run with it.

SENATOR KAHLE: My philosophy is that we should not build any....

SENATOR CLARK: You have one minute left.

SENATOR KAHLE: ...any increases into the future salaries of anyone at this time. Thank you.

SENATOR CLARK: Senator Higgins.

SENATOR HIGGINS: A question of Senator Goodrich if he will yield.

SENATOR GOODRICH: Yes.

SENATOR HIGGINS: I don't think I follow your reasoning either, Senator. Taking the Governor's present salary of \$40,000 a year, starting in 1983 what would he get?

SENATOR GOODRICH: In '83...just a second, I've got it right here. I don't have these marked....

SENATOR HIGGINS: Well 5% of \$40,000....

SENATOR GOODRICH: It is \$1,075 if I am reading this correctly. I don't have the sections marked. Let me open the bill

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first and then I will know.

SENATOR HIGGINS: And then...I don't want to take that much time on it. I thought you had this all worked out but he would get a thousand dollar increase in 1983. Then in 1984 he would get more than that again?

SENATOR GOODRICH: Well he would get a thousand plus 5% in '84.

SENATOR HIGGINS: So then he would get 5% of \$41,000 the next year and the next year it would be 5% of the additional.

SENATOR GOODRICH: That is true. It compounds.

SENATOR HIGGINS: It compounds. Well I remember last week Senator Fenger offered an amendment that the state employees get no raise and January 1st we see if the economy is turned around and if it turned around then the state employees might get a raise and if it didn't turn around they wouldn't get a raise. This is an A bill and again I have to ask the question, is the Governor going to veto this bill or is he going to sign this bill?

SENATOR GOODRICH: That is his decision to make. I haven't asked him specifically.

SENATOR HIGGINS: You have never discussed this with him?

SENATOR GOODRICH: I have not directly discussed this bill with the Governor at all, yes, you are right.

SENATOR HIGGINS: Well let me ask you this.

SENATOR GOODRICH: I have discussed it with the other constitutional officers but not with the Governor.

SENATOR HIGGINS: That seems strange because he is the one that is going to get the biggest pay raise and he is the one that is talking the most about cutting the budget. I would think he would be the first one you would want to discuss it with. Do you know, have any of the constitutional officers including the Governor, said that they will not work for their present wage, that they will resign? There is ten... or was it 40 thousand people waiting to volunteer to take the jobs of state employees? If the constitutional officers don't get a raise do you think we would have any trouble replacing them? Or do you know of any of them that want to resign if they don't get it?

SENATOR GOODRICH: I did not take that approach with them.

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I just looked at the ethics of it and the fact that they had not received a raise for four years and if we don't pass something in this year it will be a total of eight years before they ever get a raise.

SENATOR HIGGINS: Well I think the Governor might get a raise just through his federal retirement check. If the federal government gives a raise to their employees then I think the retirees get one. So in addition to the \$40 thousand for the Governor plus his government retirement plus all the perks...I don't know, Senator Goodrich, I just don't know how we can tell the state employees they can have nothing and then those who are making so much more money we are going to look out for them for four years in advance when we don't even know what the economy is going to be one year from now, let alone four years from now. And I don't have anything against any one of the constitutional employees including Governor Thone but I just think what is good for the goose ought to be good for the gander.

SENATOR GOODRICH: Well, Senator Higgins, would you forget that...

SENATOR HIGGINS: I knew what this job paid when I took it and I'm not asking for a raise.

SENATOR GOODRICH: If the public does not pass our raise in the May election are you going to resign?

SENATOR CLARK: We can't carry on a dialogue.

SENATOR HIGGINS: I'm not going to resign but I will tell you the truth, I'm not promising I'm going to run again but salary wouldn't be the reason for it. I made a commitment when I got elected.

SENATOR CLARK: Senator Vickers.

SENATOR VICKERS: Mr. President, I wonder if Senator Goodrich would respond to a question please.

SENATOR GOODRICH: Yes.

SENATOR VICKERS: Senator Goodrich, did I understand you to say in answer to Senator Kahle that you are contemplating a 5% increase a year for the next four years yet you indicated something about a total of 10% which divided by four made an average of 2.5% per year? Is that correct?

SENATOR GOODRICH: Okay, let's go back. Now for example, they have not received a raise for four years, right, Senator Vickers?

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SENATOR VICKERS: Yes.

SENATOR GOODRICH: They will not receive a raise for the next four years if we don't pass something...(interruption.)

SENATOR VICKERS: Oh, in other words, you are talking about the total of eight years.

SENATOR GOODRICH: There is a total of eight years that they will have gone without a raise if we don't do something this session. Now, if for example, we give them 5% per year for four years starting now, that means we will have raised their rates over this period a total of 20% but only...in other words, when you put it 5% per year that means you have only given them a half of 20% for the full four year period, right?

SENATOR VICKERS: I'm not sure I understand what you just got through saying. Say it again.

SENATOR GOODRICH: Yes, if you only give them 5% the first year it is just like compounding a loan. If you give them 5% the first year, 5% the second year, now at the end of two years you have given them a total of 10%.

SENATOR VICKERS: You've given them a little bit more than that when you compound it.

SENATOR GOODRICH: Well, roughly but we're rounding out figures here. Now...

SENATOR VICKERS: My banker won't do that. Okay.

SENATOR GOODRICH: But anyhow, if you give them a total of 20% over a period of four years they have only had 10% of it for the period of the four year period. Now you add the other four year...

SENATOR VICKERS: The period would be an eight year period you are talking about.

SENATOR GOODRICH: No, this is the four year that we are talking about, the only 10%, full value of 10% for the full four year period. You add...and consider for example, that they now have gone eight years in getting that, then it cuts it in half again. So the effect over an eight year period of raising their salaries 20% is an average of 2.5%.

SENATOR VICKERS: Okay, I can understand that but I don't think I can understand how a 20% in a four year period goes back to a 10% increase in total. That must be new math. I think I missed it.

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SENATOR GOODRICH: What they will have benefitted over the four year period, they will have benefitted 20% in the fourth year, right? 75%...

SENATOR VICKERS: 20% plus since it is compounded interest.

SENATOR GOODRICH: Well a little bit over maybe but 20% the fourth year, 75% the third year...

SENATOR VICKERS: What will the dollar figure be for... Senator Higgins mentioned \$40,000 salary the Governor gets, what would the Governor's salary be at the end of the four year period?

SENATOR GOODRICH: He would get a raise of \$1,075.

SENATOR VICKERS: At the end of a four year period?

SENATOR GOODRICH: I'm sorry, at the end of the first year but at the end of a four year period it would be about \$5,000.

SENATOR VICKERS: 5% of \$40,000 is one thousand and something?

SENATOR GOODRICH: Let me get into the section of the bill that we are referring to.

SENATOR VICKERS: 5% of \$40,000 is \$2,000.

SENATOR GOODRICH: But it is only...see, we're appropriating money for half a year here.

SENATOR VICKERS: Okay.

SENATOR GOODRICH: What I am working off is the cost, the fiscal impact to the state.

SENATOR VICKERS: The total package at the end of four years if I roughly figured it here correctly is the total salary for \$40,000, 5% four different times compounded is \$46,415.25. Does that sound somewhat right to you?

SENATOR GOODRICH: For the Governor's salary you mean? That is what it would compound up to, yes.

SENATOR VICKERS: Yes. Okay, well I think I understand that. I'm not sure I do the 10% and the 2.5% and all that but okay, thank you.

SENATOR CLARK: Senator Bentler.

SENATOR BEUTLER: Senator Goodrich, just one question if I may.

SENATOR GOODRICH: Yes.

SENATOR BEUTLER: I'm sure you voted in favor of having some salary increase for the state's judges but just as a theoretical matter I would ask you, do you see any basis for distinction between the state's judges and the constitutional officers? Why...how could this body consistently take the position that the judges should have no increase whatsoever and the constitutional officers should? I heard some discussion on the floor of the Legislature that a distinction should be made on the basis that the judges are fairly high salaried persons but it seems to me that the constitutional officers are also fairly high paid persons. Do you see any rationale for distinguishing between those two particular categories?

SENATOR GOODRICH: No, and you will recall correctly, in fact, you have recalled correctly, I did vote to give the judges a raise for the same reasoning that I have got for promoting this bill.

SENATOR BEUTLER: I would just comment, Mr. Speaker and members of the Legislature, if in fairness we give a raise to the constitutional officers, I think that you should think and compare the constitutional officers to the state's judges who today at least we have said shall get no raise whatsoever for the next two years. It just doesn't make any...there is no consistency in my mind between the two positions that we are apparently about to take and I suggest to you that to make our position logical and fair that we need to think about the judges salary bill again before this session is over. Thank you.

SENATOR CLARK: Did you want to close on your amendment, Senator Goodrich?

SENATOR GOODRICH: Yes, just to state that this brings the... we're amending the A bill down to these figures so that the total cost for the forthcoming year of this particular bill will be \$9,363 and I move the adoption of the amendment, reducing the amount.

SENATOR CLARK: The question before the House is the adoption of the Goodrich amendment to 488A. All those in favor vote aye, opposed vote nay. Have you all voted? Once more, have you all voted on the Goodrich amendment? Senator Goodrich, for what purpose do you arise?

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SENATOR GOODRICH: I hate to do it. I'm trying to cut the revenue appropriation down to a third of what it says in the bill and I'm still getting negative votes but if I can't get something done fairly quick I've got to get a Call of the House I suppose and a roll call vote.

SENATOR CLARK: If you want a Call of the House we will have a Call of the House. A Call of the House has been requested. All those in favor of a Call of the House will vote aye, opposed vote nay. Record the vote.

CLERK: 8 ayes, 0 nays to go under Call, Mr. President.

SENATOR CLARK: The House is under Call. All legislators will take their seats and check in, please. Senator Goodrich, do you want to take call ins?

SENATOR GOODRICH: Yes, until...yes..

SENATOR CLARK: Until you find out that won't work?

SENATOR GOODRICH: Yes, that is right.

SENATOR CLARK: (Gavel.) Could we have some semblance of order, please. We can't even hear up here. Would everyone please check in. Senator DeCamp, would you check in, please. Senator Kahle. Senator Newell. Senator Rumery. Senator Warner, will you check in, please. Senator Cullan, Senator Goll, Senator Labedz. The question before the House is the adoption of the Goodrich amendment. We will accept call ins if you want. Senator Koch, for what purpose do you arise?

SENATOR KOCH: Mr. Chairman, I request a roll call vote.

SENATOR CLARK: All right, a roll call vote has been requested. (Gavel.) We will have to have it much more quiet in here. You can't hear it up here at all. The Clerk will call the roll, please.

CLERK: (Read roll call vote as found on pages 1631-1632 of the Legislative Journal.) 23 ayes, 19 nays, Mr. President.

SENATOR CLARK: The motion lost. The next amendment.

CLERK: Mr. President, Senator Kahle would move to amend the bill. (Read Kahle amendment as found on page 1632 of the Legislative Journal.)

SENATOR CLARK: Senator Kahle. The Call is raised.

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SENATOR KAHLE: Mr. President and members, I know some of you think that this is probably too much but when you realize it has been four years and all other state employees did get a raise each and every one of those four years, that I think this is fair. This would make the Governor's salary \$44,000. It is now \$40,000. Now if you want to go below that I would probably support it but I think this is a fair way to go at it. His salary would then be set for the next four years at that specific figure. So I hope you will support this amendment. I think it is fair and I think we would know where we are at and they would know exactly what they are going to get for the next four years rather than an indefinite figure. So with that I don't think there is anything else I have to say. We did have this issue before the Government Committee. We worked hard on it last year and of course came up with the increases that are in the bill now and of course economic conditions have certainly changed in that time so I think a redirection of that funding is certainly in line and the only reason I am doing this I think they do deserve some sort of an increase from...some of them of course may not be the same officers that were there the last four years but if you back up four years it does look like we are kind of chintzy if we try to keep them at what the salary was four years ago and expect them to have that same salary for four more years which is an eight year period with exactly the same salary or no raise. So let's try this one. Thank you.

SENATOR CLARK: Senator Koch.

SENATOR KOCH: Mr. Chairman, a question of Senator Kahle if he would yield.

SENATOR KAHLE: Yes, sir.

SENATOR KOCH: Senator Kahle, are you a constitutional officer?

SENATOR KAHLE: No, sir.

SENATOR KOCH: You're not?

SENATOR KAHLE: I probably am but not...

SENATOR KOCH: When in the last time you got a raise?

SENATOR KAHLE: The last time I got a raise was a long time before I deserved one.

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SENATOR KOCH: The question is, when is the last time the Legislature got a raise?

SENATOR KAHLE: It has been a long time back in, what...?

SENATOR KOCH: Since 1968. Are we surviving?

SENATOR KAHLE: Not very well.

SENATOR KOCH: Have you ever heard any of those people get out on a limb for us and ask the people to give us a raise?

SENATOR KAHLE: No, I haven't.

SENATOR KOCH: Thank you, Senator.

SENATOR CLARK: Senator Higgins.

SENATOR HIGGINS: Mr. President, I would have a couple of questions of Senator Kahle if he would yield. Senator Kahle, if we give the Governor a \$4,000 salary increase, I don't even know what all the other constitutional officers get, but taking all of them combined what is the total fiscal impact for the four year term or even for one year?

SENATOR KAHLE: I can't give you that right off, Marge. It wouldn't be that hard to figure. I think the Attorney General gets \$38,000. I believe the other constitutional officers get \$32,000.

SENATOR HIGGINS: Well between the Attorney General and the Governor that is \$7,800 and the others get \$32,000...that is another \$6,400 so then add on to that Social Security and the other things that they get...I'll tell you what, I'll vote for this 10% salary increase for all the constitutional officers in spite of everything else if we give all the state employees a 10% increase. Is that fair enough? I mean, I think they deserve it and they are working and when I think of those...in fact, I'll make it different. If we start at the lowest paid state employee who is making \$590 a month and then give them a 10% salary increase January 1st and the rest of them a graduated scale up to \$40,000 or \$50,000, whatever the highest paid state employee is so that the lowest paid gets 10% and the highest paid would end up getting 2% or 3%, then I'll vote for the constitutional officers to get 10%. That is fair enough, isn't it?

SENATOR KAHLE: No, you're not looking at it correctly. All the other state officials and people that work for the state did receive an increase every year in the last four years but the constitutional officers did not.

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SENATOR HIGGINS: Well, neither did the state legislators so that is not much of an argument either, Senator, but the point is four years from now you are going to commit us to four years of paying that kind of a salary even though we might be, if it's possible, in a worse economic shape than we are today.

SENATOR KAHLE: With the bill that was just defeated you would have a much larger increase in four years.

SENATOR HIGGINS: I didn't vote for it either.

SENATOR KAHLE: I realize that.

SENATOR HIGGINS: But if you are going to go look four years down the road and say everybody is going to get a 10% increase, and remember, they ran for the job. It isn't like the state employees that have to work some place and they were lucky enough to get a job here, these people chose to work for the state. Many of them have other industries that they can go back into, other businesses. I'm sure the state treasurer will find a job somewhere else if she doesn't get reelected. I'm sure that my good friend Paul Douglas could make three times what he is making in private practice. He is a brilliant attorney and I'm sure that the state auditor could probably find himself a job with some CPA firm but these state employees are here, many of them, because that is all that is available. I will go along with that 10% increase if you will give the lowest paid state employee a 10% increase and then graduated up the scale to where the highest paid get 2 or 3 or 5%.

SENATOR KAHLE: Well that state employee did receive a raise each year of the last your years. That is all I can say.

SENATOR HIGGINS: But never was it as close as to what inflation has been so it was really just kind of playing catch up. My own employees have gotten a 10% increase every year though, Martin. Every year I have given my employees a 10% increase plus a bonus so if you want to commit yourself for the next four years and you don't even know the fiscal impact for the next year, go ahead.

SENATOR CLARK: You have one minute left. Senator Hefner.

SENATOR HEFNER: Mr. President and members, I have a question of Senator Goodrich.

SENATOR CLARK: This amendment is Senator Kahle's.

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SENATOR HEFNER: Yes, but I want to ask him....

SENATOR CLARK: All right, Senator Goodrich. There he is. Senator Hefner has a question.

SENATOR GOODRICH: Yes.

SENATOR HEFNER: Senator Goodrich, as you understand Senator Kahle's amendment, would this just be half the amount of your amendment?

SENATOR GOODRICH: The net cost to the state would be half the cost of my amendment, right. That is what I am talking about, the cost to the state. His amendment averaged over a four year period like that type of thing would be just about half of my amendment or in other words, about \$4,500.

SENATOR HEFNER: Okay, thank you, Senator Goodrich.

SENATOR GOODRICH: That is the first year incidentally.

SENATOR HEFNER: Yes, that is correct. I rise to support this amendment. I think this is a little fair. As I understand it it would be a 10% raise for the next four years so that would calculate, to me, to be approximately 2.5% a year and I am sure that the state employees are going to get more of a raise than that because I think we are proposing a 3.75 this year. So I think Senator Kahle is on the right track. I didn't support Senator Goodrich's amendment because I felt that was a little bit too much so, therefore, I would urge the body to go along with this amendment.

SENATOR CLARK: Senator Newell.

SENATOR NEWELL: Mr. President, members of the Legislature, I hate to interject myself in this fight. This is LB 488A on General File. Is that correct? And we are debating a long and hard what is the appropriate level of salaries to give to the state officers. I think at this point in time that we ought to recognize that what we do now will have an impact down the road and it is always regrettable that these issues come up in election years and because of that there tends to be some election rhetoric or thoughts or concerns and this is not a good year for any salary increase before this body. But I think that Senator Kahle's proposal is a nice way, there must be a nice way of saying, "too cheap", but since I can't think of one, I want to say it is too cheap. I think frankly that a 5% increase that Senator Goodrich proposed was not unreasonable and I can appreciate the need, however, to associate state officers with state employees and so I would urge the defeat of this amendment

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at which time I will propose that we give the state officers 3.75 the first year and the corresponding amount that state employees receive thereafter or 5%, whichever I think will sell.

SENATOR CLARK: Senator Kahle, do you wish to close?

SENATOR KAHLE: Mr. President and members, I think that the only reason that I brought this up is because I think it is fair. I think they know then what they are up against. The constitutional officer is a little bit different and we are different as senators but constitutional officers run for a four year term. I think we ought to know what they are going to receive. That is the reason I opposed the 5% a year. I don't think that is reasonable now but I still think that a 10% increase from four years ago is reasonable and that all the officers and all the people that work for the State of Nebraska got more than 10% in the last four years, that's for sure and I'm not sure we need to make all that up because constitutional officers do receive a pretty good salary, as Senator Higgins has said, but to be fair and to put the thing up front as Senator Warner says, we raise their salary 10%, take care of the last four years, set it for a four period at that rate and go with it. I believe they would be perhaps not satisfied but I believe we would be doing the responsible thing in this Legislature. I think it is wrong not to give them any raise and I think it is wrong to build in an increase each year for the next four years so vote your conscience.

SENATOR CLARK: The question before the House is the adoption of the Kahle amendment. All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted? Once more, have you all voted? Record the vote.

CLERK: (Read record vote as found on page 1632 of the Legislative Journal.) 13 ayes, 22 nays, Mr. President.

SENATOR CLARK: The motion lost. The next amendment.

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

SENATOR CLARK: Senator Goodrich.

SENATOR GOODRICH: I move the bill be advanced as it is then and we will get together with some of those of you who have expressed a concern with the bill and when it gets to Select File we will see if we can't work out a compromise amendment at that time.

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SENATOR CLARK: The motion is to advance LB 488A. All those in favor say aye...all right, a machine vote has been requested...vote aye, those opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted? Record the vote.

CLERK: Mr. President, Senator Cullan requests a record vote. (Read record vote as found on page 1633 of the Legislative Journal.) 18 ayes, 24 nays, Mr. President.

SENATOR CLARK: The bill does not advance. We will now take up LB 417A, LB 714A. The Clerk wants to read some things in.

CLERK: Mr. President, a communication from the Governor addressed to the Clerk. (Read re: LB 573, 668, 751, 817, 869 and 875.)

Your committee on Enrollment and Review reports LB 835A advanced to Select File and LB 953A advanced to Select File.

Mr. President, new resolutions, LR 304 offered by Senator Wagner. It commends the Ord Quiz on the occasion of its centennial for its past 100 years of service in the business of Journalism and that will be laid over. LR 305 by Senator Fowler calls for an interim study regarding adequacy and constitutional provisions of the current Dental Practice Act. LR 306 by Senator Fowler calls for a study of LB 567 as passed by the 1975 Legislature relating to parole. LR 307 by Senator Fowler calls for a study concerning the issue of nuclear waste transportation. LR 308 by Senator Fowler calls for a study and the procedure for estimating general fund revenues for the state. LR 309 offered by Senator Fowler. (Read. See pages 1634-1638 of the Legislative Journal.)

Finally, Mr. President, Senator Wagner asks unanimous consent to withdraw LR 262 which is a study resolution. (See page 1638 of the Legislative Journal.)

SENATOR CLARK: No objections, so ordered.

CLERK: Mr. President, I have nothing on LB 714A.

SENATOR CLARK: Senator Kilgarin.

SENATOR KILGARIN: I move we advance LB 714A.