

March 4, 1982

LR 240

LB 449, 568, 662, 678,  
637

as guest of Mr. and Mrs. Richard Peterson. Where are you located? There you are. Okay. The Legislature is under Call. The Clerk is authorized to take call in votes.

CLERK: Senator Dworak voting yes. Senator Marsh voting no. Senator Fowler voting yes. Senator Schmit voting...continues to vote no. Senator Warner voting yes. Senator Lowell Johnson voting yes. Senator Cope voting yes. Senator Cullan, you still are. You are consistent, Senator. Senator Stoney voting...Senator... Senator Stoney, I'm sorry, no. Senator Newell voting no. Senator Sieck, you did vote, yes, Senator. Senator Chambers voting no. Roll call vote has been requested. All legislators please return to your seats so we may proceed with the roll call. Okay.

CLERK: (Read the roll call vote as found on page 992 of the Legislative Journal.) 24 ayes, 17 nays, Mr. President, on the motion to return the bill.

SPEAKER MARVEL: It needs 25, right. The motion lost. The Clerk has got a couple of items to read in.

CLERK: Mr. President, Senator Nichol would like to print some amendments to LB 568 in the Journal; Mr. President, Senator Hefner would like to print amendments to LB 678 in the Legislative Journal.

Mr. President, Business and Labor offers a report on gubernatorial confirmation hearing. That is signed by Senator Barrett as Chair.

Mr. President, I have a new resolution, LR 240 (read). (See pages 996 and 997, Legislative Journal.) That will be laid over, Mr. President.

Mr. President, in addition to that, Senator DeCamp would like to print in the Journal a communication he received from Mr. Leuenberger.

SPEAKER MARVEL: Hearing no objections, so ordered.

CLERK: Mr. President, Senator Hefner would like to add his name as cosponsor to LB 637.

SPEAKER MARVEL: Hearing no objections, so ordered. Senator Kilgarin.

CLERK: Mr. President, I have no amendments on LB 662.

March 5, 1982

LR 240  
LB 890, 408

SENATOR HIGGINS: I probably would if I knew it was going to cost me \$20, but in other words if an elderly person files and they don't put in their school district to get their sales tax refund even though they are not going to pay an income tax, they will get notified, you have got to tell us what your school district is.

SENATOR KOCH: Right. They will notify them and they can do that by phone. They can give the number right there can't they?

SENATOR HIGGINS: If they know it. I would put mine down if I knew it.

SENATOR KOCH: In your case, just put OPS, we all know what that is. That is District #1.

SENATOR HIGGINS: Okay, Senator.

SENATOR CLARK: Senator Schmit. Senator Vickers, do you want to close on the advancement? All right, the question before the House is the advancement of 890. All those in favor vote aye, opposed vote nay. Have you all voted? Record the vote.

CLERK: 31 ayes, 0 nays, Mr. President, on the motion to advance the bill.

SENATOR CLARK: Have you got something to read in, Pat?

CLERK: Very quickly, Mr. President. Senator Kahle again would like to have a meeting of the Government, Military and Veterans Affairs Committee underneath the north balcony upon adjournment. That is the Government Committee underneath the north balcony. Mr. President, Senator Kremer would like to print amendments to LB 408 in the Journal. (See pages 1027 through 1032 of the Journal.) And Senators Koch and Vickers would like to withdraw their names as co-sponsors to LR 240.

SENATOR CLARK: No objection, so ordered.

CLERK: That is all that I have, Mr. President.

SENATOR CLARK: Senator Wagner, would you like to adjourn us until 9:30 on Monday.

SENATOR WAGNER: Mr. Speaker, I move that we adjourn Monday until 9:30.

SENATOR CLARK: You heard the motion, all those in favor say aye. Opposed. We are adjourned until 9:30 Monday morning.

Edited by:

*Marilyn Zank*  
Marilyn Zank

8393

March 16, 1982

LR 236, 240

CLERK: 30 ayes, 12 nays, Mr. President, to indefinitely postpone LR 236.

SENATOR CLARK: The resolution is indefinitely postponed. We'll take up the next resolution, LR 240.

CLERK: Mr. President, LR 240 was introduced by Senators Haberman, Lamb, Chronister, Clark, Richard Peterson, Fenger, DeCamp, VonMinden, Howard Peterson and Beyer. It is found on page 996 of the Journal. (Read LR 240.)

SENATOR CLARK: Senator DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature, the resolution has two goals as far as I'm concerned, one, to fulfill the requirement that this Legislature pick a target figure that we direct the Appropriations Committee to bring us for a budget. We have already done that once. We picked a target figure of about \$763 million as I recall. Since that time I think the Appropriations Committee has committed itself, even if only informally, to making dramatic alterations in that number. I believe under the rules devised by that committee, supported by this Legislature, we would have to either amend downward dramatically the target figure or they would have to remain with a budget of \$763 million by our rules we've adopted. So purpose number one of the resolution is to set a target figure significantly lower than the \$763 million for the Appropriations Committee to bring us for a budget. And my hope and goal of course is that prevents any tax increase at all. That is the ultimate purpose. The second purpose stated in the resolution in the now therefore, is to say, look, as long as we're all tightening belts we're going to do it uniformly. We aren't going to give a major increase to A or B or C or D without treating the others equally or essentially in the same manner. That is what the resolution does. I would urge you to adopt it or some target figure here in some form or other.

SENATOR CLARK: There is a motion on the desk.

CLERK: Mr. President, Senator Koch would move to indefinitely postpone LR 240.

SENATOR CLARK: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. I signed this resolution originally but I got to examining the content a little more closely and also those who believe this is appropriate that I decided to take my name off along with Senator Vickers. After listening to the debate this after-

noon I thought the kill motion was appropriate because obviously we don't want to get into too deep of discussions where it might test our thought process a little bit so I think it is appropriate since we've had the killer instinct this afternoon we might as well proceed with it. Now I want to see how many red lights there are to kill this bill. The Governor spoke to us last week. He gave us an ultimate goal. The Appropriations Committee has been trying to deal with that goal and try to come up with something close to what the Governor proposed and I think in view of the fact the Appropriations Committee has revised their original appropriations suggestions to us that for us to discuss this resolution at this time is inappropriate and an additional waste of time. So I ask for the indefinite postponement.

SENATOR CLARK: Senator DeCamp, on the postponement.

SENATOR DeCAMP: Mr. President, I respectfully oppose the kill motion. I would suggest to you that this resolution is not like other resolutions and it is not like other resolutions because unlike the happy birthday or happy congratulations to the football team resolution, this does have a legal effect. It has a legal effect because this body chose to do that. They chose to set up a system this year where we pick target figures to designate a number or amount for the Appropriations Committee to bring to us. At the present time to the best of my knowledge that amount is \$763 million. If we are going to change that I believe under the rules, we have to pick some amount. If we're going to change the figure I think the rules specifically talk about using 25 votes to make any amendments or changes. It is my suggestion of course in the resolution that we change that by a substantial amount, whatever it is, 5% of...in other words, go to essentially a zero budget increase over last year. And so I think you have to support some number or some form of resolution or the Appropriations Committee, despite the fact that they may be informally doing this, have no authority to do so. I think the number should be reduced to the zero budget so I oppose the kill motion.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature, I oppose the kill motion for this reason. It says here that the Legislature indicate that it determine to adopt a zero fund increased budget and that it will attempt to give equal and fair treatment to other segments of the budget so as to not cause increases in the property taxes. I would like to address equal treatment to everyone.

As it is now from the information that I have, one of my school districts will lose \$60,000 and there is another school district in the State of Nebraska that will receive \$4 million underneath one of the formulas. So I say let's adopt zero budgeting fund increase and let's start from there and let's be fair and let's be equal because I'm going to tell you this that when a little school like Hayes Center loses \$60,000 and one school gains \$4 million there is something wrong somewhere. So I rise to oppose the kill motion and beings as we have rules that make this a legal resolution and makes everything we're asking legal, that we do not kill the resolution but pass it. Thank you, Mr. President.

SENATOR CLARK: Senator Marsh.

SENATOR MARSH: Thank you, Mr. Chairman. I rise to support the kill motion. I'd like to remind the members of this body that shortly after the Governor of Nebraska addressed this body Senator Warner brought a request which you adopted to allow the Appropriations Committee additional time to cope with the situation presented to us. This body accepted Senator Warner's suggestion. The Appropriations Committee has been working with that as a mandate from the Legislature. You have given us additional time. That time has been used to the benefit of all of us. I think as a courtesy to the Appropriations Committee LR 240 should be indefinitely postponed for it is, in fact, an unpleasant resolution considering the hours the Appropriations Committee has already put in on the problem presented to us when the Governor came in to address us, Sunday afternoon at two o'clock, Monday morning before the Legislature met. The reporters have also put in their time, the members of the press to be present when we were present. I urge your indefinite postponement of this resolution.

SENATOR CLARK: Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, I wholeheartedly support the kill motion on this resolution. It speaks with forked tongue. In the first part of the resolve it resolves that we go a zero based budget and then gives lip service to some real estate tax relief. We're currently sending a little over half of our state budget to subdivisions, to school districts and to the subdivisions of state government. That is included in the 7% lid and without additional dollars we are shifting to real estate taxes without putting additional dollars in there. Now the Appropriations Committee has not found room for any significant increases in these amount of funds that are going to subdivisions. No tax is a popular tax but we're coming down to some facts of life that

either we've got to put up some more state dollars or we are going to shift it right into the real estate tax system and the voters of this state are more angry at the real estate taxes than they are at the income tax and to say it otherwise is untrue. It amounts to a shift any way you look at it when we hold our line to pull an income tax cut and then watch the real estate taxes grow at 9 to 11%. I cannot buy this resolution. It is making implications that the Legislature is interested in real estate tax relief but it is going out front that we're not going to put up any money that we could do it with. It is totally unfair. It is a hoax. It is a dream-land resolution that doesn't exist in the reality of state government. I urge the members of this body to vote this resolution down with this kill motion. Thank you.

SENATOR CLARK: Senator Wesely.

SENATOR WESELY: Mr. President, members of the Legislature, I think that Senator DeCamp is misinterpreting the rules and I think some of the other people here have already discovered that. If you'll read the rule and I know that many of you don't have handy the rules of the Legislature but under Rule 8 you'll find this sentence. Such appropriations bills proposed by the Appropriations Committee plus the allocation for the funding of A bills, all bills resulting in the reduction of revenue to the general fund and all tax expenditure bills shall not be in excess of the maximum general fund appropriation adopted by resolution pursuant to Section 4 of this rule. Clearly what we are talking about here is a maximum amount of money. So that allows the flexibility for the Appropriations Committee to come back and for this Legislature to then respond with less being appropriated than that maximum amount of money. It is clearly what we are talking about, the whole concept of this rule change which is to determine what is the most that we think we can afford, what is the most that we think we should spend this year and the following year in terms of appropriations and tax expenditures so that we are talking about a maximum amount of money, not the target figure, not the actual amount that was going to be spent. So what I am saying is you don't need this resolution. It makes no sense to consider this resolution because we talked about the maximum. Clearly we're going to talk about appropriations bills are going to be less than that amount of money and we can deal with them at that time. You would have to amend the resolution if you wanted to increase that maximum figure. That's the point at which a resolution like this would be appropriate, not to decrease it at this time. Again, we're talking about a maximum figure, not a target figure, not an exact figure, a maximum figure and

the Appropriations Committee has already indicated they are going to come back to us with proposals that would be less than that amount and that would be absolutely appropriate under this rule change which we adopted.

SENATOR CLARK: I'd like to introduce Bart Chandler from Auburn, Nebraska. He is under the North balcony. Would you stand and be recognized, please. Welcome to the Unicameral. Senator Beutler, did you want to talk on it? Senator DeCamp, do you want to close? Pardon me, Senator Koch, did you want to close?

SENATOR KOCH: I'll defer to Senator Warner for any remarks he cares to make before I close.

SENATOR CLARK: Senator Warner.

SENATOR WARNER: Mr. President, I would rise at this point to support Senator Koch's kill motion because I have to on the basis in which the resolution is now before us. It's been pointed out by Senator Wesely that the rule does set a maximum, not as a minimum and as you all know Appropriation Committee is essentially below that maximum at this time, at \$742 million and as I've indicated a few other times, if you don't like 742 I can make it a lesser figure, the committee can, without changing the budget. All we do is put cash fund lapses somewhere and change reappropriations a little, put some fees in cash funds instead of general fund but those are all poor public policy approaches and I don't endorse those but we seem to get hung up on a figure sometimes which I think is unfortunate. The reasons I have to oppose the resolution as it now stands, if you look at whereas number two, it says that the \$763 million figure could have been totally funded with no increase in taxes. That just never was true. No one in any position of responsibility has ever stated that figure. Certainly the Governor didn't, the tax commissioner has not, I did not, the Revenue Committee did not, the Appropriations Committee did not. I have no idea where that was manufactured but that statement is false so I cannot support a resolution containing those words. Secondly, number four whereas, it says that it is going to be a hold the line or a zero budget. Now a comparable figure for a zero budget for general fund money for last year would be 716.2 million, not the 736 or whatever it is in the figure. If you want a no increase in tax budget based upon some of the figures that were given by the Governor, you have to go even much below that. As a matter of fact, if you want no increase in taxes you take the \$742 million...\$742.3 million figure that the Appropriations Committee now has, you subtract the \$56 million from that of the individual income

tax at 17%, you should have 686.3. Then you take 13.5 corporate tax away from that which leaves you 672.8 million. Then you take the 7 million in cigarette tax, that gets you down to 665.8 million for a total of 76.5 million that would have to be cut from the tentative committee's budget of 742 before you could have a no tax of any kind increase. Now if you want to really devastate state government and local government because I can assure you that if you're going to make those kind of cuts you're going to make substantial cuts in aid programs as well. We'd have to follow the same course as the federal government where in order to reduce some of their costs to increase other budget items, have reduced the amount coming to local government, we would follow suit. So because of the numerous errors in the resolution as drafted, I would have to fully support Senator Koch's motion to repeal or to indefinitely postpone, in doing so make it clear that I certainly do support a figure no greater than the 742 that the Appropriations Committee is currently using.

SENATOR CLARK: Senator Cullan. Senator Koch to close.

SENATOR KOCH: Mr. Chairman, members of the body, I agree with what Senator Warner says. I want to compliment the Appropriations Committee because I know they have spent long hours trying to help resolve this issue and the Revenue Committee as well. It is easy for us who sit on other committees that are not fully aware of the problems they are dealing with, to second guess, even though I don't concur with the limitation that are placed in our budget right now, there is probably not too many other alternatives because we made mistakes in the past. We can't correct them today. We can only correct in the future. When I see in this resolution that the University would receive no increases, that goes diametrically opposed to where I have stood since I have been here. The University is a system that needs to be nurtured, it needs to be helped and if we want to make it into the type of system that is going to help the boys and girls of Nebraska, then you don't penalize it punitively. I know that we talk about property tax relief and I'm as irritated about that as anyone in this body. I fought for property tax relief and a decent school aid bill since I've been here and I'll never stop but that is another issue for tomorrow. For Senator Haberman talking about his district who lost \$60,000 one system and another one gaining \$4 million, I'd like to know where that is. The only place that the schools are going to lose money will probably be in special education and those who have the greatest number of students in special education are the ones that are going to be penalized. They are going to be penalized over a million dollars at least and



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LB 259, 642, 644, 652, 678, 696  
767, 767A, 775, 776, 828, 845

that's where they have the programs that count and a number of kids that need help are being taught so I think that is a little bit misleading. So I believe it is only appropriate for us today to indefinitely postpone LR 240, get on with the business because we're going to have plenty of time to debate the budget in the next couple of weeks. Thank you.

SENATOR CLARK: The question before the House is the indefinite postponement of the resolution. All those in favor vote aye, opposed vote nay. Record the vote.

CLERK: Mr. President, Senator Koch requests a record vote. (Read record vote as found on page 1206 of the Legislative Journal.) 28 ayes, 10 nays, Mr. President, on the motion to indefinitely postpone the resolution.

SENATOR CLARK: The resolution is indefinitely postponed. Senator Lamb. He has some things to read in first.

CLERK: Your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 259 and find the same correctly engrossed; 642, 644, 678, 696, 767, 767A, 775, 776, 828, 845 all correctly engrossed. (See page 1207 of the Legislative Journal.)

Senator Haberman would like to print amendments to LB 259 and Senator Slick and Remmers to LB 652. (See page 1207.)

SENATOR CLARK: Senator Lamb.

SENATOR LAMB: Mr. President, I move that we adjourn until nine o'clock tomorrow morning, March 17, St. Patrick's Day, no celebration because Tommy's not here.

SENATOR CLARK: You heard the motion. All those in favor say aye, opposed. We are adjourned until nine o'clock tomorrow morning.

Edited by

  
L. M. Benischek