

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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March 18, 1999 LB 674

SENATOR JONES: Mr. President, and members of the body, I'd like to talk about the National Ag Week, the 14th through the 20th. All of you are probably aware that farmers and ranchers comprise about 2 percent of the U.S. population, yet they produce all the food for the people of the United States and some other countries, too. Food production creates the jobs for workers in food processors, distributors and marketing industries here in Nebraska. One out of every four jobs is related in some way to agriculture. The sack lunches being distributed on your desks was prepared by the Nebraska Farm Bureau. It would sell for about \$3.15 on an average. Farmers receive 21 cents out of every dollar Americans spend on food. The rest of the dollar goes to the off-farm labor and processors that get the food to the consumer. Including in your lunch is a book on "T.C. Cobb and the Cornstalk Riddles." It was recently published by the Nebraska Agriculture Class in the classroom program that is designed to introduce middle school students to corn, which is Nebraska's number one crop. Thank you for joining in celebrating the National Agriculture Week. So I hope you enjoy your lunch. Thank you.

PRESIDENT MAURSTAD: Thank you, Senator Jones. Further discussion on the advancement of LB 674, Senator Wickersham.

SENATOR WICKERSHAM: Thank you, Mr. President. The point that was raised by Senator Brown. We have had an increase in teachers retiring under the Rule of 85. That was to be expected, but as I recall the actuarial study, that is expected to level off over time because you don't really expect to maintain what might be currently a rather high retirement rate. And let me suggest to you that you have information with you this morning that will illustrate why that's the case. If you simply look at the differences that are illustrated in the example, if you retire now at age 55 and 30 years of service under a 1.8 formula and you've had a salary of \$34,000, your benefit is \$1,551.72. If, on the other hand, you continue to teach until you have 35 years of service, your benefit is going to be \$1,991.38. By retiring early, you're going to give up \$450 a month in retirement benefits. I would suggest to you that that would be a fairly significant financial decision to make as opposed to another five years in your position. I don't think that teachers make the decision to retire at age 55 with