

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 13, 2003 LB 197, 805

The question is on the motion to withdraw LB 805. All those in favor vote aye; those opposed vote nay. Please record, Mr. Clerk.

CLERK: 30 ayes, 0 nays, Mr. President, on the motion to withdraw.

PRESIDENT HEINEMAN: The motion is withdrawn..the bill is withdrawn. (Visitors introduced.) Next item, Mr. Clerk.

CLERK: LB 197, Mr. President, a bill introduced by the Business and Labor Committee. (Read title.) Bill was introduced on January 10 of this year, at that time referred to Business and Labor. Bill was advanced to General File. I do have committee amendments, Mr. President. (AM0458, Legislative Journal page 589.)

PRESIDENT HEINEMAN: Thank you, Mr. Clerk. The Chair would recognize Senator Vrtiska to open.

SENATOR VRTISKA: Thank you, Mr. President, members of the body. LB 197 would amend 48-621 of the Employment Security Law dealing with administration of certain funds, including federal funds. New language would appropriate \$34,380,203 of the more than \$48 million distributed to Nebraska through the federal Reed Act to the Department of Labor for unemployment compensation program administration. This past fall, federal funds were distributed to each state under the Temporary Unemployment Compensation Act of 2002. The distribution, called Reed Act funds, are excess taxes that employers have paid. These funds are flexible and can be used in various ways, such as employment tax reductions, trust fund balance enhancement, benefits with some restrictions, or operations and infrastructure costs related to the operation of our unemployment compensation system. Nebraska received \$48.3 million. The Legislature must appropriate the funds before they can be used. The bill, in its original form, asked for more than \$34 million appropriation for the Department of Labor to use on a variety of projects. The rest of the money was to be left in the trust fund to make a cushion for benefit payments. The committee, however, asked the department for more detailed information on the proposed projects, and what the