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indicated that we have to have something. They have dictated to us. I would suggest the committee amendments do one thing. They serve the interests of the nursing home industry. They serve the interests of the hospital industry. They do not serve the interest of any citizen of the State of Nebraska. The interests of the citizens of Nebraska can best be served by passing a strong certificate of need. I know of no one, I know of no constituent, I know of no citizen, I know of no resident in the State of Nebraska who does not want and is not mandating a strong certificate of need.

SPEAKER MARVEL: Your time is up. Senator Kelly.

SENATOR KELLY: Mr. Speaker, members of the Nebraska Unicameral Legislature, I was delighted to hear that Senator Hoagland has worked on this question for many hours. I happened to have worked on this question, Senator Hoagland, for many years. So time involved will make each of us an expert and each of us come up with an opposite attitude. The committee amendments are trying to put back into the certificate of need suggested 172 some reality and it is called economic reality. I specifically would talk in the very same subject in which Senator Simon is talking where you have to have permission to sell your own property or you have to get permission from the government to buy somebody's property so that the government in their figuring a rate on cost containment won't have to spend any more money than they want to spend and you can see by the very nature, I would talk now to the nursing home industry, you can see by the very nature of the last six, seven years involvement in the nursing home industry, there just is not any new capital coming into this industry. They are just not being built. They are being sold back and forth because the people that have the money aren't necessarily that interested in putting in more new facilities for more government confiscation of the private investment. Now to what's it going to cost, whether you buy or whether you build? We will use the example that was passed out by those who would oppose the committee amendments and then using a depreciation factor of 4% as it would effect book value, so now as you deduct 4% on the cost of that facility for depreciation and you come back and add an inflation rate of 8%, what in the dickens does the word "book value" mean. It means a reference point and that is all it means. Book value has no significance economically whatsoever. It only has significance when the Department of Welfare is figuring payments on a nursing home but in the real world it has no value whatsoever. What that facility is worth is what it would cost to replace it, not what an accountant says it