

April 24, 1981

LB 257

SENATOR DeCAMP: Mr. President and members of the Legislature, I want to say a few things here and I really wish you would listen because I was not going to get into them deep but they are kind of important and they are going to affect you in the future and they don't have too much to do with energy. They have to do with finances in this state and multimillions of dollars and, Senator Koch and Senator Remmers, I want to address my information primarily to you. I would rather have no severance tax whatsoever, zero percent than do what we are doing with that money now. What we are doing, you, I, Ernie, everyone of us ought to be strung up on a light pole and what we are doing with the teachers' retirement funds and the other funds we all ought to be strung up for. What you don't know is while we screw around here on 10 thousand dollar bills and 50 thousand and 500 thousand dollar issues, in the last three or four years a 165 or 170 million retirement fund of teachers has been depleted, down 30, 40 million dollars has been lost from it. Now what are we doing with the severance tax funds? I will tell you what we are doing. I will tell you why I would rather take the money, I would rather throw it from the top of the Sower and let people scramble for it than do what we are doing now. We are taking the 4 million dollars we are getting now. We are putting it in something called the permanent school fund and it is locked up forever there and invested and it has earned 4, 5, 6% and the value of that fund, the value of that fund. I can go buy, I can buy physically everything that that fund owns because that money was put into bonds, long term bonds at 2 and 3 and 4 and 5 and 6%. If the people, if the teachers, if the people of this state really knew what had happened to the money, their hard earned money, they would lynch us, they would lynch us. Those funds have been depleted and ruined because of poor investment practices because we didn't do anything. So I would rather take that money which is what the essence of this bill is, take the 4 or 5 million and give it directly to the schools to do something where they get a guaranteed return on their capital of 20 or 30%. We will pass out information that document that that is what we are going to do with the funds, that that is what you will get. Now the free money you were talking about for insulation before for the school, she is gone, baby, she is done. There ain't no more free money for schools for weatherization. I am saying we use some of this money, we continue weatherizing our schools and we get something for it. Your money, if you take the severance tax money now and don't do anything more, what you have done is you have increased the severance tax and then you are going to rathole it and deflate it in locked in, long term government bonds or something because we have not changed the other