

February 1, 1982

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PRESIDENT: The Chair recognizes Senator DeCamp.

SENATOR DeCAMP: Mr. President and members of the Legislature, at the risk of sounding boring I want to develop this thing a little more because I think it is important we all understand some of the implications and so I will try to ask a question again. Senator Fowler stated and he is absolutely correct that this involves about one-half of one percent increase. That is minimal, but that is as I see it not going to cause all the repercussions. The thing that I see is going to cause the repercussions and going to be not one-half of one percent but a significant hit on the cities is the fact that the money isn't there. The one-half of one percent is an actuarial figure and it presumes that money has been put in there. I just said, and it can be verified, that about \$12 million hasn't been in what, half a dozen or a dozen towns, Norfolk, Fremont and so on and so forth. Now, question, if you pass the law and say they are entitled to a specific amount of interest on a specific amount of money that they have put in, if they want to take it out, don't you also say by implication though it's never been stated on this floor, don't you say by implication that can be tested by a law suit, okay, Fremont and Omaha, put your money into the pot to make it actuarially sound to make everything correct and accurate and functional, and then doesn't that mean that in the case of let's say Fremont, and I don't know what the figures are but I think it might be close to a million bucks, huh, \$800,000, doesn't that say, okay, let's have a law suit like we did in Omaha, and Fremont, you now have to come up with that money, where do you come up with the \$800,000? The other bill as I say is intimately linked from the standpoint that it says, okay, we realize we are facing the problem and we are going to give fair benefits but we are going to buy time, put the problem off 8 or 10 or 12 years so they can do this gradually, and I don't know what that is right or wrong, fair or unfair. I think it may be more workable. But I do suggest, I do suggest we get both bills up here and deal with them together and you all take an hour of time and talk to some people about this and learn about it, because you are going to go home and find out we have done something you didn't expect. That is what happened when they started this back in the sixties, the late sixties, we simply passed a law and gave an order to some towns and said, now set up a pension plan and do this and that. And so somebody discovered one day, well, yes, well they have been holding out 5 percent of the money, or whatever, but it hasn't been going into pension plans, it's just been

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