

March 10, 1982

private sector with no salary increases, this is no time for a state pay raise. Also, remember that last year's package of wage and benefits was the most generous in the history of the State of Nebraska. In addition, I am announcing that agency directors appointed by me, likewise, will receive no salary increase. I also ask that all government entities in Nebraska follow this general austere approach. It is appropriate to point out loud and clear that over one-half of this entire budget of ours is distributed as aid to local governments and individuals, over one-half of it. Second, the portion of the State Patrol which is out on the highway every day protecting the people and property of our state should be funded from the Highway Trust Fund. This would provide a savings to the general fund of 8 million dollars. With the 3% cut which the general fund agencies received during the Special Session and with the other cuts which have been made or will be made, it is only fair that the gas tax revenues share in the cost of this program. By the way, they do so in twenty-six other states including almost all of the surrounding states to Nebraska. State government has traditionally assumed a major share of the increase in health insurance premiums for our employees. While we will do so again this year, the funding for these increased costs will have to be achieved by improved efficiencies and additional economies by each agency. No additional funds should be provided. This step will effect a savings of a million dollars. In several areas, the recommendations of the Appropriations Committee are above the budget which I submitted. These items I assure you will be vetoed if submitted to me in your final budget. They include the University at \$1,058,000, mental retardation assistance at \$1,350,000, the 309 Task Force at \$850,000, the Department of Corrections at \$403,000, mental health at \$218,000, Special Education at \$174,000, Mass Transit assistance at \$92,800, Drivers Education reimbursement at \$47,800 and a variety of others, for a total of more than \$4,300,000. An itemized list of all of these cuts will be distributed to you as soon as I conclude these remarks. In the area of Capital Construction, I call on all of you to defer an additional half million dollars of the cost of the Medium/Minimum Correctional Facility in Omaha. It should be deferred until fiscal 83-84 which is in line with our other current estimates of the construction schedule. I propose to veto the \$170,000 for renovation of legislative space in the Capitol and other amounts included either in excess of my recommendations or additions to the projects proposed in my budget. Together, these cuts will total \$698,000. The amount appropriated for waste water treatment grants in the Department of Environmental Control can be reduced by \$200,000 without a significant risk of slowing down the actual scheduled