

April 5, 1982

LB 757

what we see as the financial situation of the state.

SENATOR CLARK: The amendment is withdrawn. Next amendment.

CLERK: Mr. President, Senator Beutler would now move to amend the bill. Read Beutler amendment.

SENATOR CLARK: Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, the amendment does simply one thing and it is the same thing that I objected to last time and I'm offering it again because we now have the Warner amendments which makes the bill constructive and positive, in my opinion, so what the amendment does is leave the Board of Equalization with the same flexibility it had before this bill was introduced into the Legislature. It changes the minimum reserve requirements from the 2% proposed in the bill back to the 3% that has always, that has been the law in Nebraska for several years. We have now adopted the Warner amendment which says basically we are going to use a 3% figure for setting our budget and this year for example without that amendment we have used the 3% in setting our budget. Now if we are going to use a 3% figure in setting our budget it seems to me that it only makes sense to use a 3% figure in figuring our revenue projections, a minimum 3% figure. That is, it doesn't make any sense to me to use a 3% for budget requirements but only 2% for the purpose of the Board of Equalization projections. So, what I am saying is lets adopt the Warner amendment which is consistent with our present law on the Board of Equalization, both Warner amendments, delete out of the bill the reduction to the 2% reserve and then our law will be consistent and will make sense. Again I point out to you that our current experience is that 3% was not enough of a reserve. That is what we had last year when the Board of Equalization met, we came around April of this year and we don't have enough money. We have a cash flow problem and we are going to have to take some extraordinary means to solve that problem. So, in light of that experience, in light that 3% was not enough, again, obviously it doesn't make sense to reduce the reserve to 2%. So, now that we have the Warner amendments I would like to ask you to think once again about the advisability and the wisdom of a 2% reserve. Thank you.

SENATOR CLARK: Is there any discussion on the Beutler amendment? If not, all those in favor vote aye, opposed vote nay.

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