

April 6, 1982

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many elderly people depend on social security and they don't have a lot of leeway. So I want to make it very clear on the floor what that is all about. Could you explain that please?

SENATOR WARNER: Okay, as surely you know, Senator Beutler, the state sends those payments in as I recall quarterly and the funds are set aside monthly or bimonthly for those collections and are invested and the million dollars would represent the investment income that the state incurs or...well, incurs from the fund as it is being accumulated prior to being sent in on a quarterly basis to the federal government. It no way impacts the amount of payments that we make as far as social security. It is merely the investment that the state acquires, much like the investment I suppose that a retailer would have on his sales tax that isn't paid until the end of the month, and I would imagine they could invest that, you know, same process.

SENATOR BEUTLER: So it in no way represents the creation of any deficit or any unfunded liability and it in no way represents anybody else's money except the state's in the sense that it is interest earned on that investment.

SENATOR WARNER: Merely represents interest that has been earned. In fact that is the pot for all the cash funds that periodically over the years we have lapsed the surplus that was not used for operation of the agency and that surplus has always accumulated from the investment of the money or the savings where we keep the appropriation down.

SENATOR BEUTLER: Okay, thank you. I have one more question, Senator Warner. Back on the front page and perhaps you explained this and I missed it, but the item having to do with the staffing of the Legislature, the \$200,000 there, is that amount going to represent in any way a cutback on legislative staffing?

SENATOR WARNER: No. The answer is "no", but if you go back to the blue book, you will see where we reduced \$200,000 and this is an additional \$200,000, that there has been historically about \$400,000 of an appropriation that has not been used because all Senators do not hire or use all the staff that they are entitled to have, and what we have historically done is always appropriated the full amount on the assumption that the money should be there if every member wanted to have all of the aides and so forth that they wanted. And historically it has never happened and I think it is a reasonable assumption that that will continue to be true. It will not represent a reduction

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