

April 7, 1982

LB 928

SENATOR WARNER: At the current time the state investment officer on a daily basis credits accounts with the earnings of all the variety of funds that they invest and under the amendment it would be proposed that the money would be reimbursed on that daily rate whatever it was they were drawing, what the funds would have otherwise drawn.

SENATOR KAHLE: Okay, I didn't want to harass Senator Warner because I know this hasn't been too easy for him and we probably wouldn't have been in this mess if we had listened to him longer ago. But I think we needed to get this clarified and in the record exactly how we intend to do this. Senator Beutler, of course, has now gotten an amendment across that would guarantee that payment back into the fund. I also had that question. So I think we have everything taken care of to my satisfaction now. Thank you.

SENATOR WARNER: Thank you.

SENATOR NICHOL: Senator Beutler, did you wish to talk to the amendment?

SENATOR BEUTLER: Just a question of Senator Warner if I may again.

SENATOR NICHOL: Senator Warner, would you respond?

SENATOR BEUTLER: Senator Warner, at this time in your opinion and after having talked to the administration and the Department of Revenue and the people who are knowledgeable as to revenue projections and the cash flow problem, in your opinion, during the existence of this fund how many millions of dollars do you anticipate being transferred between funds?

SENATOR WARNER: Senator Beutler, I am sure at some point or other I have used the figure that at a maximum and let me rephrase this, this is my comment and not repeating someone, that at a maximum I thought that at any one short period of time it could be as much as \$30 million but I would want to quickly tell you why I think it would well be less. And the reason is that the projections on cash flow models are all on a presumption of a hundred percent expenditure by the end of the fiscal year which will not occur. Now they may be a hundred percent or nearly so encumbered but by through June 30th a hundred percent of this current year's appropriations will not have been paid out in the form of checks. Normally you would anticipate not more than about 95 percent that would have been paid out