

a cheap computer, by the way. Additional operating and travel expenses, 4.5 and 5.5. Personal Services limitation was also increased by 2,300 for additional estimated per diems. That is all. Thank you, Mr. President.

PRESIDENT: Thank you. Senator Johnson, before you start, may I introduce some guests, please. Senator Withem has 39 fourth graders from the LaVista School, Northeast, and their teacher. They are in the south balcony. Would you please stand and be recognized. And Senator Morrissey has some juniors from Nemaha Valley at Cook, Nebraska with their teacher. Would you folks please stand. It said two juniors, but I didn't believe it, so thank you for visiting us today. Senator Johnson, please.

SENATOR L. JOHNSON: Thank you, Mr. President and members of the Legislature. Moving right along with LB 813 this morning, I will discuss Agencies 04, Policy Research; 07, Governor; 08, Lieutenant Governor; 17, Aeronautics; 21, State Fire Marshal; 29, Water Resources; 30, State Electrical Board; 33, Game and Parks Commission; 34, Nebraska Library Commission; 36, Nebraska Racing Commission; and 58, Engineers and Architects. Agency, 04, the Policy Research Office is found on page 59 of your blue book. The Policy Research Office and the Energy Office were administratively merged by the Governor in 1987 and funding for both offices is included under this agency. The Policy Research Office itself is operated primarily with General Fund. The agency also has a Cash Fund, and a Revolving Fund of \$25,000 each, which are used as contingency funds and to support projects under contract with other state agencies. The General Fund increase is only .4 percent both years, and is a result of salary annualization and workers' comp funding with adjustments for one-time capital equipment outlay. Inactive federal funds to the amount of \$31,300 will be utilized in '89-90 for computer purchases. The agency did not request continuation funding of \$150,000 in Program 112, the Family Services, in the next biennium. The committee did not fund the Governor's initiative of \$50,000 both years of the biennium for a rural development coordinator. The Municipal Natural Gas Regulation Revolving loan program is also administered by the PRO. The committee recommendation includes a one-time transfer of \$170,000 cash funds from the Energy Resource Fund to this fund in '89-90, and the total Cash Fund expenditure authority remains at \$400,000 each year, with 370,000 specified as aid dollars in the program each year. The Nebraska Energy Office is funded under two programs, administration and school weatherization. The Energy