

money there because like somebody has said before, the state cannot go into debt. So if that fund becomes insolvent, well then it would be a whopping jump. But I think this is too much at one time. This goes up \$20 a week which would just about...well, it would trigger an increase on the amount that you would have to pay, but I think it would be better if we would go with Senator Coordsen's amendment. This would feather it in, \$10 a week one year, \$10 a week the next year and if it goes up gradually, I think that the small businesses can feather that in, but it is a cost of doing business and like somebody said, we have many empty stores in these small towns in rural Nebraska. Yes, it will cost city government more. Yes, it will cost county government more and, yes, it will cost state government more and so I think we need to look at all the angles. Don't get me wrong, I think we ought to go with a small increase, but I don't think it should be too large.

SPEAKER BARRETT: Senator Coordsen.

SENATOR COORDSEN: Thank you, Mr. Speaker, members of the body, to carry on the conversation just a little bit with regard to the size of the trust fund. Of course, the trust fund, the recommended amount or the formula from the Federal Department of Labor and it relates to the rate of unemployment at the last major recession in the state which is, in our particular case, was 1982, and then factors into that the unemployment payout that took place in that time. And to cover Nebraska under the 1982 unemployment rate times \$134 a week was currently the maximum in law, comes out to just about exactly where we are in the Unemployment Trust Fund, the \$127 million. If we increase, or when we increase, or whether we increase that \$127 million, because we will be paying out more in the event of unemployment will, by necessity, become a higher figure than that in order to have a solvent Unemployment Trust Fund to protect the benefits of those people who may become unemployed through no fault of their own. So while we have a blend of federal law and state law, there are some guidelines through that and some formulas that changed pure dollar figures as we move through the benefit structure. When we would go, as my amendment would do, to \$154 by January 1, 1992, that would, by necessity I suspect, although I haven't had this calculated, raise the necessary reserve to an excess or in the area of \$150 million in order to cover a deep recession and protect those employees. So I would suggest again that we reject this amendment and then upon that I will offer mine for your consideration.