

effort to maintain that fund with as healthy a reserve as possible and to use whatever means available to us to enhance that monies in the fund. There are a number of ways that other states use contingency funds, but a large number of states lapse amounts from 15,000 or 10,000, actually, to 500,000 dollars at the end of any fiscal year into the trust fund. Other states lapse into the General Fund and reappropriate all of the money. The intent of LB 562 then is to create a system whereby...the amended version, by the way, of 562 would create a system whereby the current and historical uses from the Contingency Fund by the Department of Labor, with the approval of the Governor and the Appropriations Committee, would still be allowed. The amended version would allow the Appropriations Committee to continue to appropriate to the community colleges for the specific use in job training programs of sets reasonable and proper amounts as that committee might determine. Any amount, though, that would be more than 1 million dollars at the end of any one year would be lapsed into the Unemployment Trust Fund to build that account and would no longer be available for special projects that the Legislature might come up to. I think, given the source of the funds in the Contingency Fund, that it is right and proper that those monies be used narrowly, specifically, and go to the basic purpose, insofar as practical, that they are contributed by the employer. The average amount of money coming into the fund over the years is about 355,000 dollars a year. The community colleges have been getting recently up to about 450,000 dollars. The Department of Labor has about 350,000 dollars, which they've traditionally spent about 150,000 dollars in that. Today, our last annual...last fiscal year, the income was approximately 600,000 dollars and there's a reason to be concerned about that insofar as it relates to the trust fund, is that in years of recession employers are pressed for money and tend not to pay their due bills insofar as unemployment...

PRESIDENT MOUL: One minute.

SENATOR COORDSEN: ..compensation and so the interest and penalties accrue at a greater or faster rate during recessionary times than they do during good times. I think it is appropriate that we reserve those funds and keep the Unemployment Trust Fund as healthy as possible, still reserving the right of the Legislature to make modest, legitimate use of the some of the contingency funds.