

employers are those that are involved in various parts of the construction trade, simply because of how our system works and how their employment pattern comes into being throughout the year. There has been, over years past, a number of efforts predominantly by (malfunction)...to increase...you lucked out. Is it on? Now it's on. The great...(laughter)...the great audio God is on your side there for just a little bit...to increase the positive...or the negative balance employer rate so that the positive balance employers were not, in effect, subsidizing the negative balance employers within the whole complex of the payers of unemployment insurance. A case will probably be made relative to the size of the unemployment trust fund, that trust fund balance most recently is approximately \$145 million. The federal Department of Labor guidelines which are based upon two of the most recent recessionary times, the unemployment rate times the Nebraska income or those income of covered employees would indicate that a comfortable balance would be in a range between 180 and 230 millions of dollars. So while the 145 seems to be substantial, it's certainly not exorbitant and bear in mind that Nebraska, contrary to what can happen in most states, cannot borrow in the event that we do have an extension of the coastal recession into Nebraska and we see an increase in our unemployment rate. So I think that the committee amendment is a reasonable compromise. It does raise the rate on negative balance employers. It does not affect anything that...anyone that's a positive balance employer is currently paid but it will reduce, certainly, the pressure on the trust fund from expenditures for employees of negative balance employers. So, with that, I would encourage the adoption of the committee amendment.

PRESIDENT MOUL: Thank you, Senator Coordsen. Senator Hefner.

SENATOR HEFNER: Madam President and members of the Legislature, I believe this is a good bill. I've been working on a bill like this for a number of years. It certainly don't go as far as I would like to go. I wanted to take it up 1 percent a year. But this was a compromise deal among some of the committee members and so this is how it is now before you. The committee amendments raise it from 5.4 percent to the negative account employers to 5.9 percent the first year, and that would be about a year from now, January 1, 1993; and then to 6.4 percent the years after that. The need for this bill is simple. Negative balance employers are not paying their fair share and if you will notice that sheet that I passed out to you a little earlier