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cost. That's about all I have to say about the bill. And if there is any questions, I would be real happy to try and answer them. Thank you.

SPEAKER BAACK: Thank you, Senator Hefner. Senator Coordsen.

SENATOR COORDSEN: Thank you, Mr. Speaker. Members of the body, I believe that Senator Hefner adequately explained most of the situation. I would share with you this morning I did check on the balance in the fund as of the 22nd of January, \$139,803,686. I mention this because the last time we debated this bill there were comments made that an increase in the rate for negative balance employers would not affect the rate that positive balance employers paid upon their payroll or, in other words, their experience account. That is almost true, but I would remind you that the way that we operate and try to maintain a balance in our unemployment trust fund to protect and pay benefits to people who are laid off in Nebraska is a little bit different than what may exist in some other states, in that although we have a \$140 million balance which is certainly comfortable in the...with the unemployment rate we have today, maybe less comfortable when looking at the most recent recessionary times of '83 and '84, but nonetheless it's not too bad. But if, in fact, we do see a decline in that balance, then there is another function of the Department of Labor which is a reserve ratio in each employer's experience account which is set on an annual basis. The change in that ratio, currently it was changed...last year it was reduced from 10.5 to 10 percent and this year it was raised from 10 back to 10.5, based upon what the experts over there had anticipated to be a declining balance in the fund. So what happens is that if, for an example, there is a terrific recession in the construction trades, the negative balance employer which is what not all but most of the negative balance employers are at, that reduces the balance certainly in the trust fund, triggers an increase. Several years ago it was, I believe, 11.5 percent, which then works in the formula to leverage positive balance employers, and not everyone but depending on where they are in the ratio, into a higher...a higher contribution rate even though their personal account may not have paid out any unemployment. Now, I'm not so sure I could run through that one more time. But what I would ask you to do this morning then, there are two problems, as I understand them, in the construction trades relative to an increase in the maximum amount of deduction or contribution for unemployment purposes. One certainly is the extra dollar exposure that is