

September 28, 1992 LB 1, 2

Cash Fund transfer of \$700,000. That's the balance, the one-time balance we're taking away, and the Correctional Industries Cash Fund has an excess of about \$500,000. This is in the Governor's original bill. The committee correspondingly agreed to that. That is the two one-time transfers giving us the statutory authority to do this one time. So that's a 1.2...the total of LB 2 is a \$1.2 million Cash Fund transfer, 700,000 from the UCC Cash Fund; \$500,000 from the Correctional Industries Cash Fund. That Correctional Industries Cash Fund, a question that's been asked is if you would not cut that, could that have an impact on guard size? And the answer to that is no, this is the actual Cash Fund. When sales from things produced at the correction facilities, this is a cash deal, you know, and obviously that money goes back into that and this is in excess of \$500,000 that the Governor and the committee feel we can safely draw down without having an adverse impact on the correctional industries out at the penitentiary and throughout the correction system. So those are the two Cash Funds allowed in this Cash Fund transfer.

PRESIDENT MOUL: Thank you, Senator Moore. Senator Schmit.

SENATOR SCHMIT: Senator Moore, I did not want to begin the process on LB 1 because I know that there will be many opportunities to make adjustments in LB 1 as we proceed. But I want to ask you a question here, for the record, and for the information of myself and others who are not as well briefed as are the members of the Appropriations Committee, and that is we are, by these transfers, not actually saving any money, we are making money available that is, at the present time, reposing in various funds and which traditionally does get transferred from time to time if surplus funds accrue. Is that right?

SENATOR MOORE: Senator Schmit, these two traditionally don't. That, you know, Securities Act and insurance premium are the two that we often hear about that we have the statutory authority to transfer that over a period of years you've heard a number of times that we do transfer when surplus funds accrue. These two, to my knowledge, I don't know if we ever hit them. I'm looking at the staff, they said, no, these two are not normal ones. That's why we do not have the statutory authority to do that. That's why we have the bill with the one-time statutory authority throughout to draw those two funds down.

SENATOR SCHMIT: Then the other logical question is this. If we