

March 1, 1995

SENATOR WEHRBEIN: Handed out is the new version of the blue book. I would like to call your attention to this today. It is a report, it's actually due out tomorrow, and I am going to go through the sheet just a little bit, and, actually, this is probably more facts and figures than you've ever had before at this stage. On page 1 is a chronology of where we are at on the budget and the budget process, what has happened over the last few months that you've heard about. On page 4 is the General Fund financial status as we have it today. I would call your attention to the point across on that line of \$86 million in uncommitted funds. Don't get excited yet. I call your attention then to page 7, which talks about the uncommitted funds, which says that there is a total of \$172 million over the biennial budget or \$86 million per year uncommitted funds. don't get excited yet. On the bottom of page 8, the top of that says, the potential sources of uses of uncommitted funds. If you notice for the \$172 million that is available, down at the bottom there is \$271 million in potential spending. And that's the line I want to call your attention to. If you look at that, that is examined in detail on page 8. Many of those are the proposed Governor's initiatives that are proposed for expenditures. I also want to call your attention to the mainline budget which says restore agency cuts and fully fund salary increases. Those alone total 61 million on one line, 15 million on another, and it goes on down to the several potential spending that we have in addition to the use of funds just above that that total several million dollars. So the thing to remember, of the 172 million available because of the cuts that we've made, many of which will have to be restored, there is \$271 million of potential expenditures that have to be made against that. Just to give you a perspective. You can go through on page 11, there is a projected federal revenue and outlay that we projected this time based on actually on August preliminary papers, but you can see what we think may have an impact on state spending if you read across the bottom line, if many of the reductions that are now being proposed in Washington, D.C., what impact they may have on Nebraska. Obviously, there is a lot of uncertainty, but it is a guess at this point, subject to change nearly every day. The back then, page 14, gives in detail of the significant General Fund increases or reductions that we've already...that we've done or are being proposed, and if you go on through the booklet, it gives narratives for major funding areas in 18. On page 17 is the specific state aid cuts that we've taken or propose to take, and then the back has much in detail on each agency. And then