

January 9, 1996 LB 700

SENATOR WICKERSHAM: ..minimize those and, quite frankly, I didn't have a desire at this point to attempt to exacerbate what might be existing disparities. The central question I think that some of you are grappling with is why should we use HELP dollars to do this. The very simple answer is that it represents a significant leveraging of the HELP dollars. The HELP dollars, under this provision, go into a plan and grow without income taxes being paid on them. If we paid you 400 dollars and you paid 15-20 percent of that as taxes you are net fewer dollars to invest and provide for your future than we're going to be able to provide for you by investing the HELP dollars in a retirement plan. This actually results in a future benefit for the teachers. It is, admittedly, a deferred benefit, but it is a greater benefit than they can realize now...

SPEAKER WITHEM: Time.

SENATOR WICKERSHAM: ..out of the HELP dollars.

SPEAKER WITHEM: Senator, Senator Witek, followed by Senators Wickersham and Crosby.

SENATOR WITEK: Mr. Speaker, members of the body, Senator Wickersham, could you answer a few questions?

SENATOR WICKERSHAM: Yes.

SENATOR WITEK: Once started on this COLA, can we go back and do away with it?

SENATOR WICKERSHAM: You could for new hires.

SENATOR WITEK: But once committed down this road we would have to stay on it.

SENATOR WICKERSHAM: For...no, no, Senator.

SENATOR WITEK: For those individuals who would be at this time...

SENATOR WICKERSHAM: For those persons who...