

on the second page you'll see the average weekly wage for covered employment in the states around the country, we are 47th. We are well below the United States average. We are next or very close to the bottom in terms of the wages paid in the state of Nebraska. This is at a time where we have very low unemployment. Economic theory tells us that if you have low unemployment in a strong solid economy, which we have in this state, you should see an impact on the wages of the state. We are not seeing that impact. We are not seeing the wages of workers rise up as a result of the economy that we have and the unemployment figures that we have. And so, if the market will not respond to the need for better wages, if we do not, as a state, have, through the market, accomplish the goal that we want to have good paying jobs for our citizens, then it's time for the Legislature to recognize this problem and issue and intervene and look at the minimum wage and increasing it. So, instead of a top-down, trickle-down economic theory, I'm proposing a bottom-up help to those who are working in our state who have not been able to benefit from the tax breaks we've passed in the past. And I know that there are those that have other attitudes about this and I look forward to the discussion, but let me run through once again why I have a particular feeling for this and why I feel very strongly why we need to do this. The two reasons are, first, I was very much involved in the passage of the legislation that established these tax breaks. I was chair of the Economic Development in 1986 and passed the first tax incentive bill for job creation and investment. That bill was then multiplied many times over by the passage the next year of LB 775 and then the modification of that bill in 1987 by LB 270. And so, in a sense, I feel like I got the ball rolling back in 1986 and then voted for the legislation that expanded those incentives even further, and ever since I have taken a deep and sincere interest in the impact of those pieces of legislation and what I have concluded is that they have had some positive effects, but they have not been targeted and focused in the way that they should and they have cost the state of Nebraska. They are now estimated to cost something like \$80 million a year in lost revenue to the state and, totalling that up over the period of time in which that can be assessed against tax obligations, we're talking about a billion dollar obligation the state of Nebraska has through that legislation. That is significant and that is why I think we need to talk about whether or not those tax incentives have been totally effective. But more than that, the second phase of my